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THE AMERICAN

ELEVATOR AND

GRAIN TRADE

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Established 1882

PUBLISHED BY Mitchell Brothers Publishing Co. } A MONTHLY JOURNAL DEVOTED TO THE ELEVATOR AND GRAIN INTERESTS.

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VOL. XLIII

431 South Dearborn Street, Chicago, Ill., October 15, 1924

NO. 4

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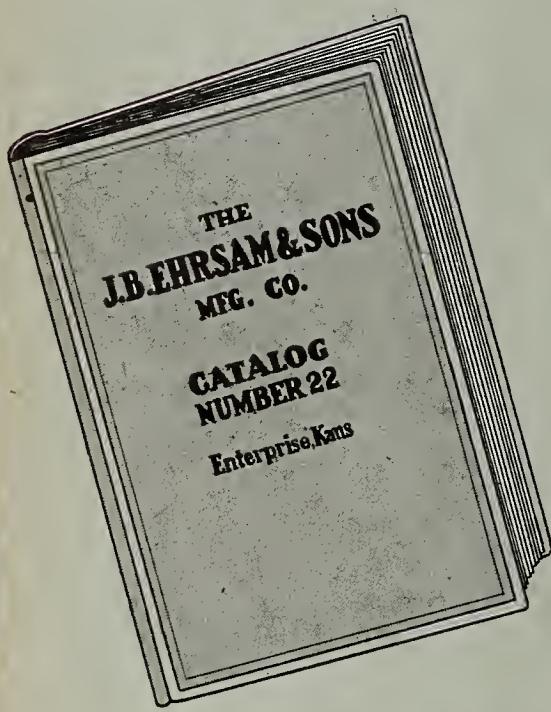
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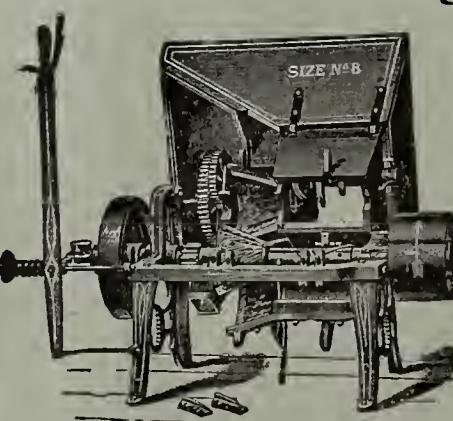
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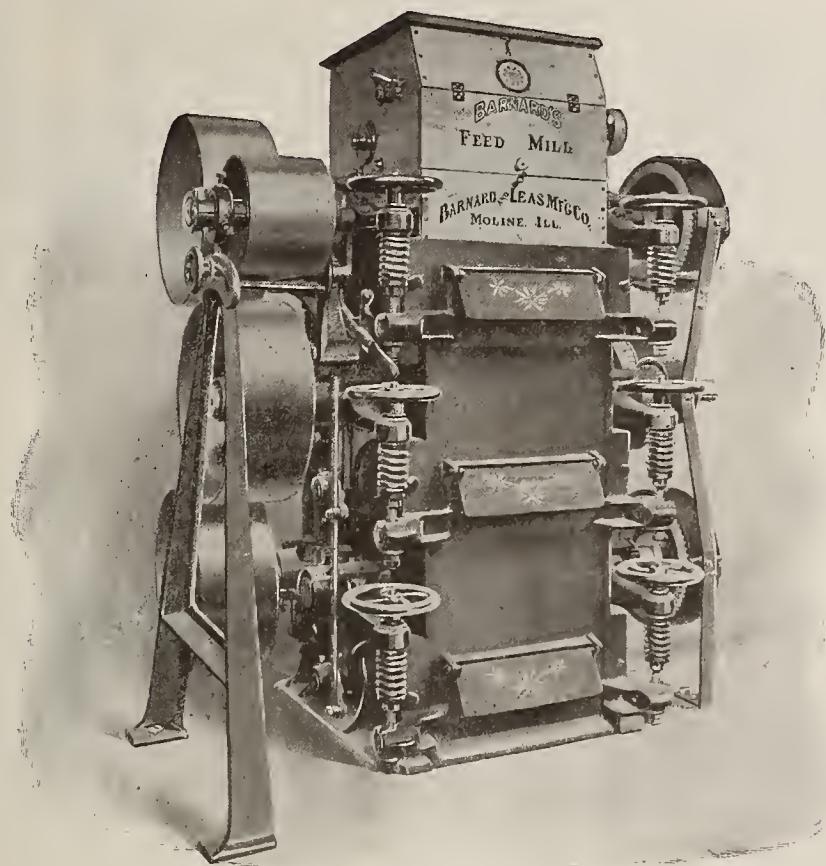
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Movement of Grain and Hay During the Year 1923

	Receipts	Shipments
Corn	17,975,000 bushels	12,524,000 bushels
Oats	12,080,000 bushels	10,670,000 bushels
Wheat	6,131,000 bushels	3,927,000 bushels
Rye	383,000 bushels	331,000 bushels

The following Receivers and Shippers are members of
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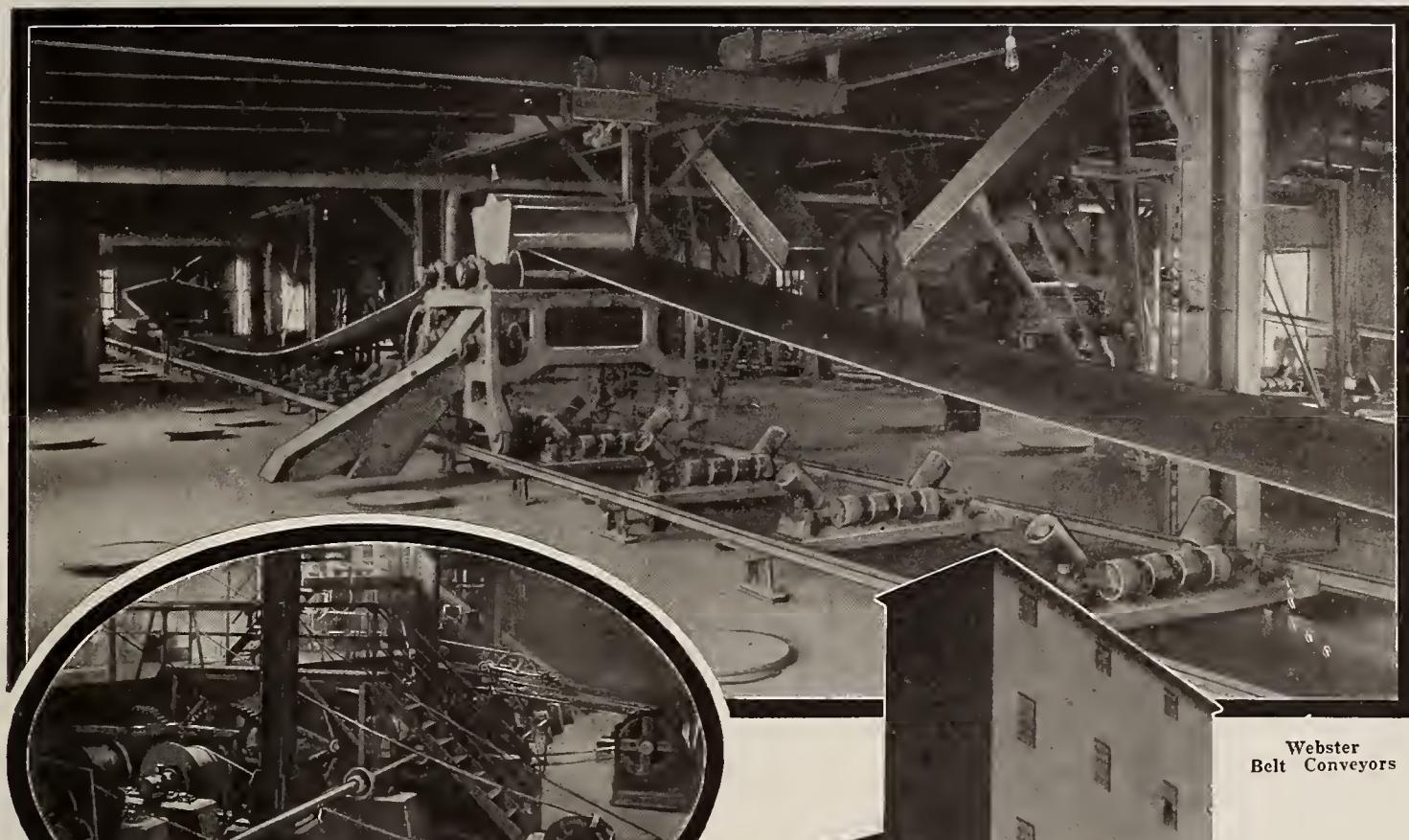
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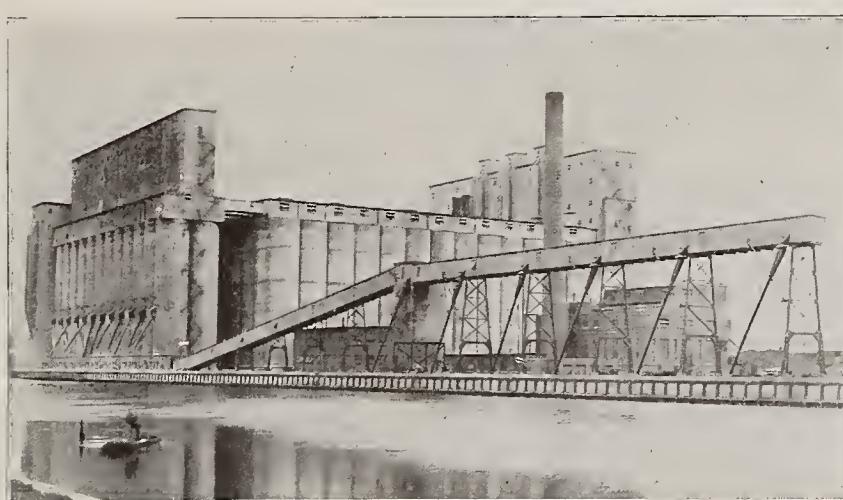
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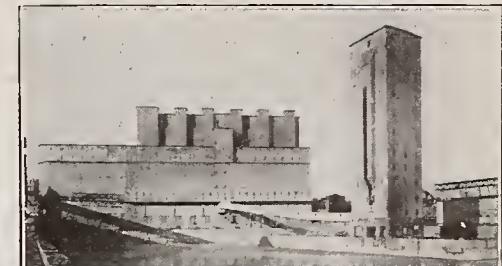
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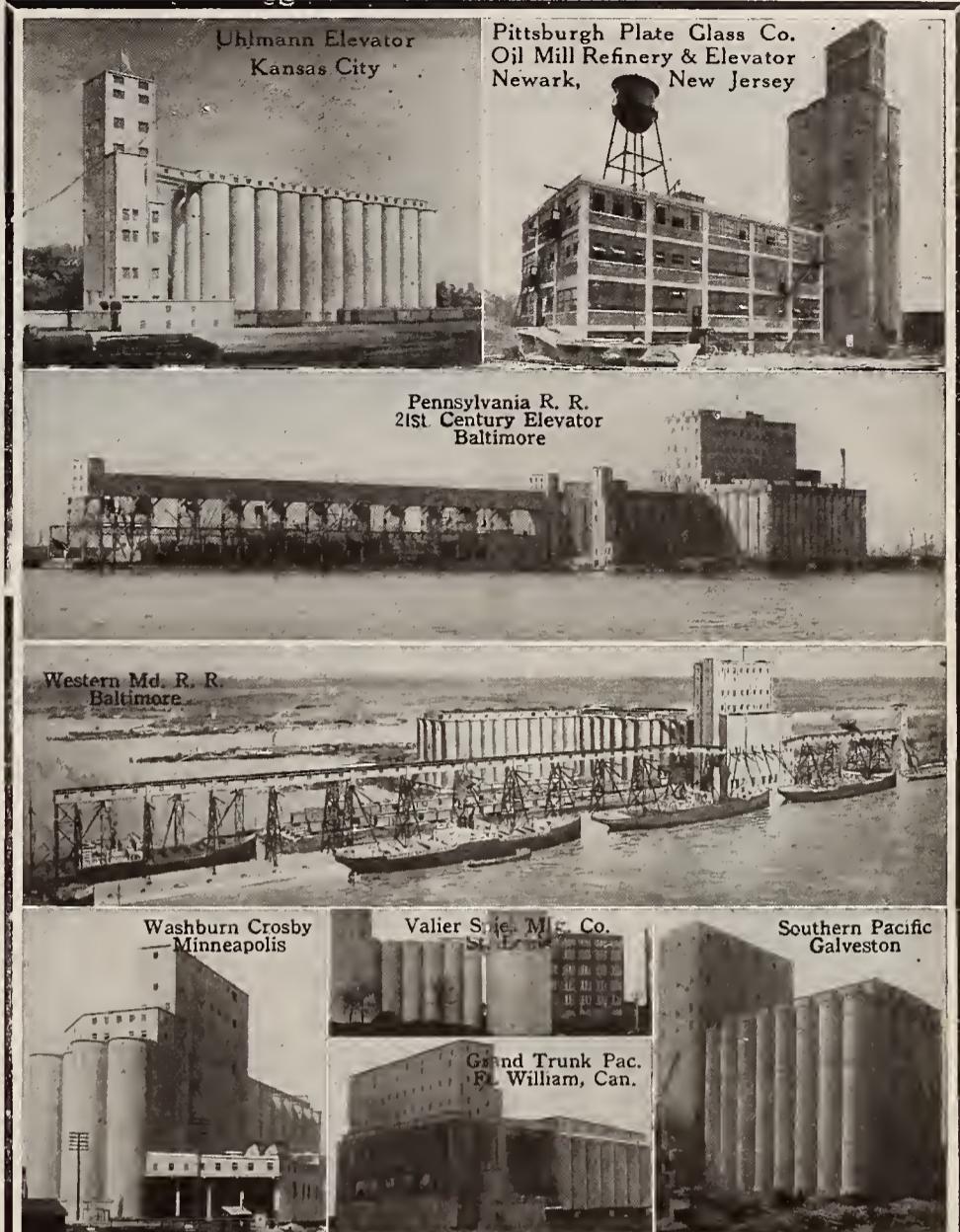
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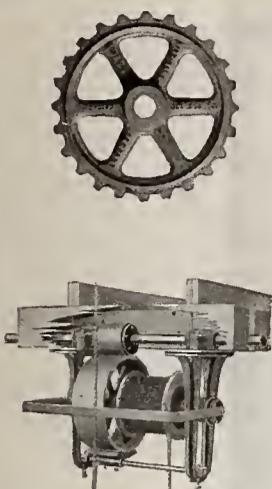
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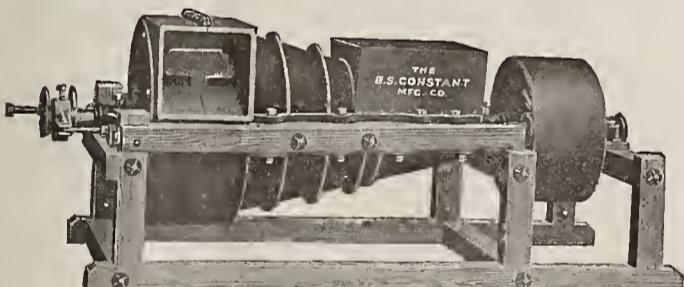
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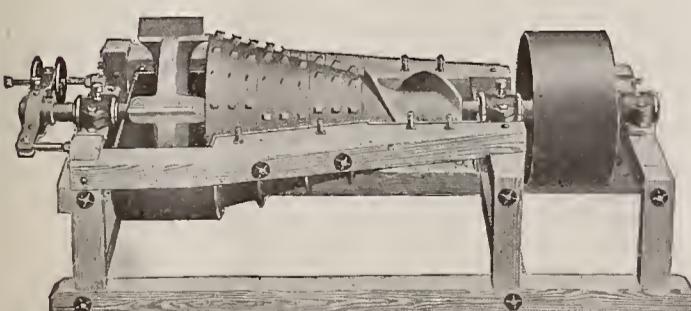
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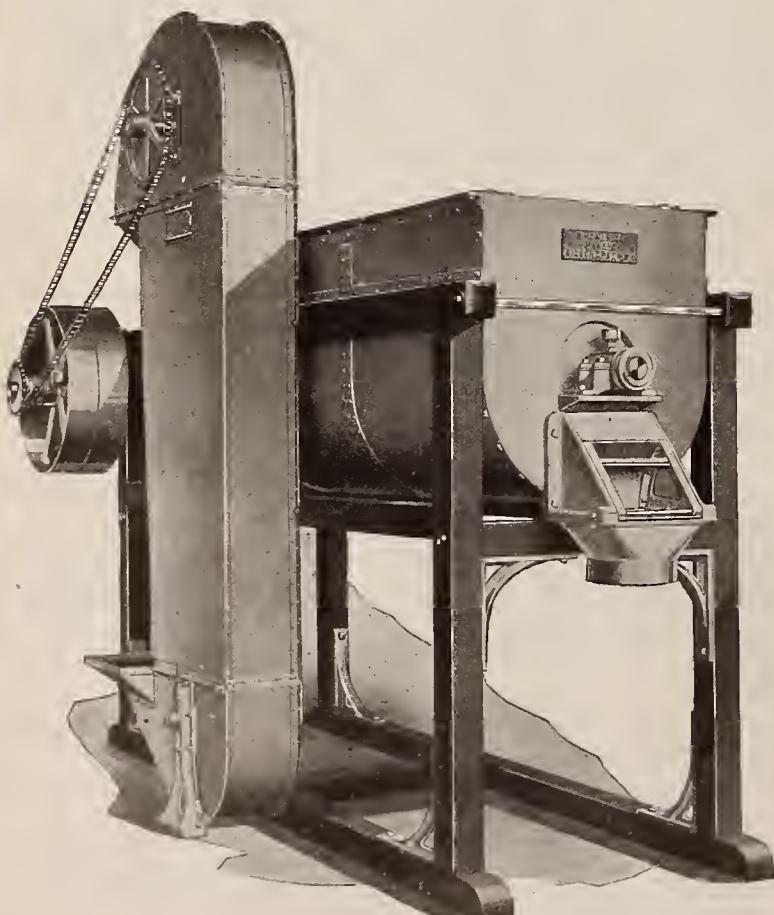
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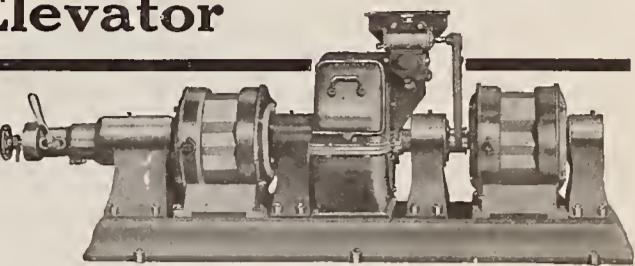
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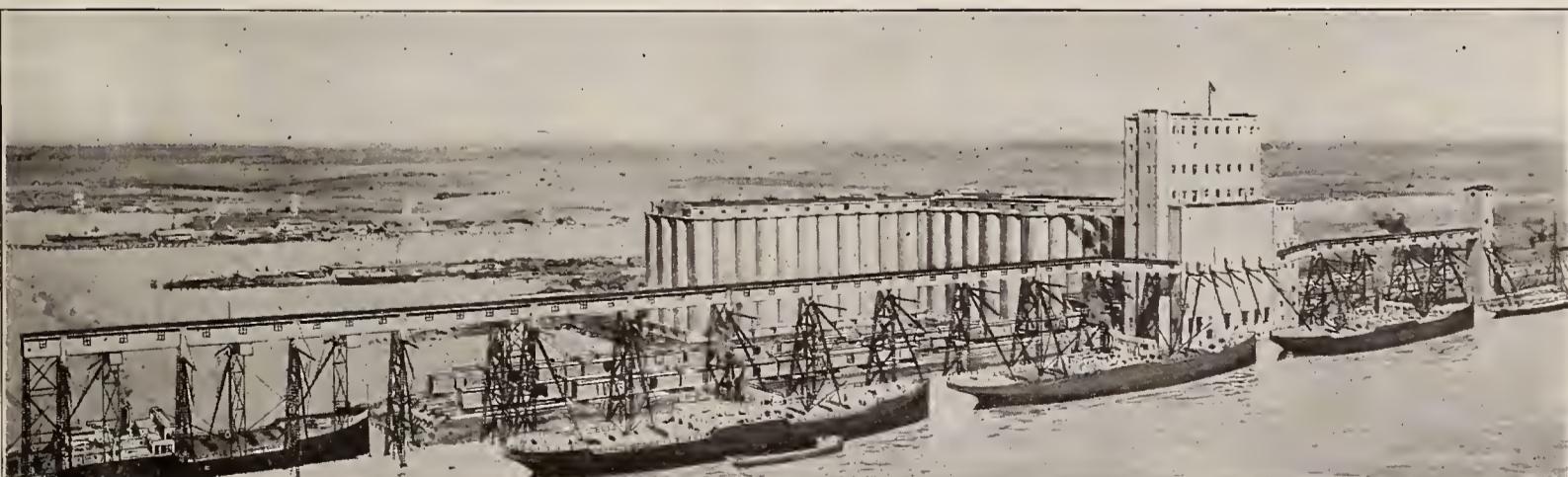
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STUDABAKER GRAIN & SEED COMPANY
By C. C. Cole, Treasurer

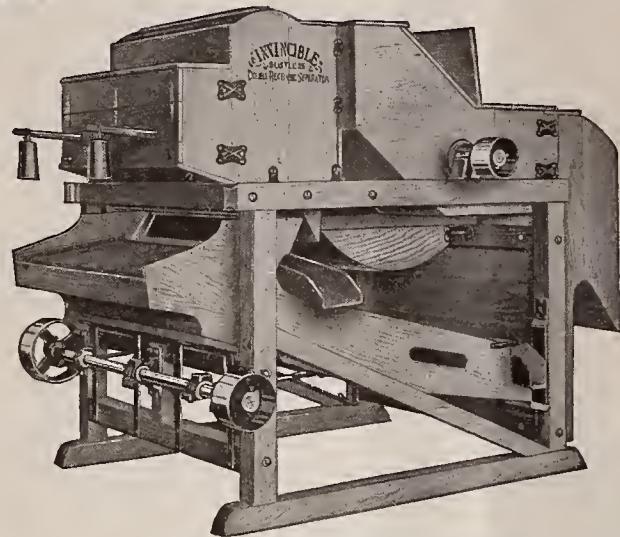
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Formerly this company loaded by wheel-barrows up an inclined runway. The Diamond Conveyor Belt now does the work, turning waste labor costs to profit.

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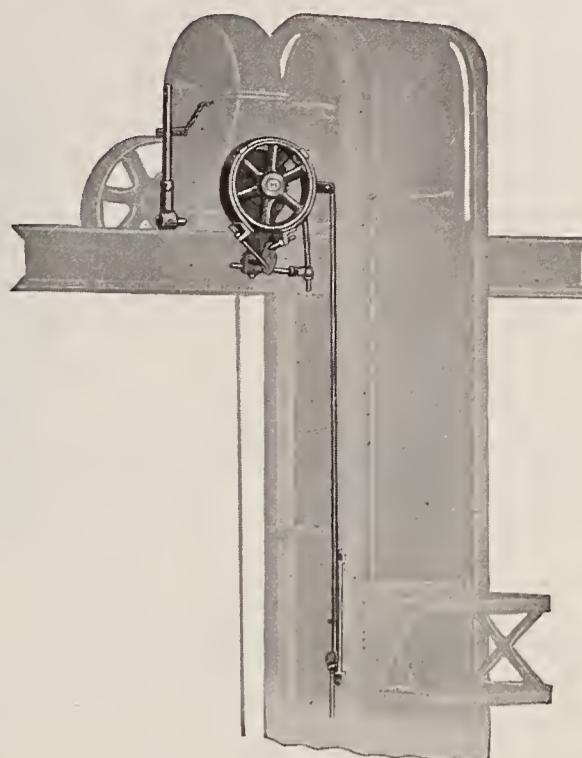
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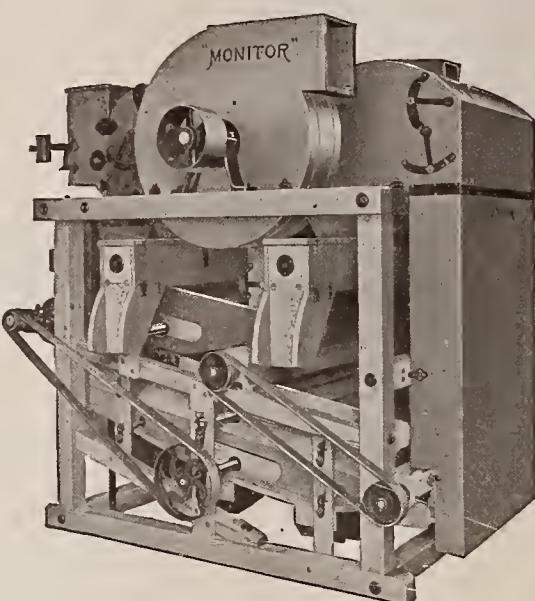
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Established in 1882.

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CHICAGO, ILLINOIS, OCTOBER 15, 1924

NO. 4

New Concrete Elevator Completed in Southwest

Recently Completed Elevator Unit of Washburn-Crosby Company in Kansas City Makes a Welcome Addition to the Storage Capacity in that Market

FAVORABLE reports of the excellent quality of the present crop in the Southwest naturally attract attention in that direction; and not the least of these optimistic reports was that of a prominent authority in the baking industry, who asserted that in all his experience he had never seen such good new wheat flour from that area as was shown in recent tests. Among the prominent manufacturers of this product is the Washburn-Crosby Company's mill at Kansas City, Mo., and it is at this point that they have recently placed in operation a new storage unit.

Construction work was started February 20 by the Jones-Hettelsater Construction Company of Kansas City, and the owners were loading wheat into the elevator on July 1, as had been promised in their original agreement. The original specifications called for a storage capacity of 750,000 bushels in this addition to the plant, but shortly after completion 821,000 bushels were actually loaded into the elevator. This excess storage capacity is due principally to the use of conservative figures in computing the capacity, and allowances made for that portion of the bins at the top that cannot be utilized for storage without trimming the bins. However, owing to the extremely high quality of wheat produced in the Southwest this season, the grain taken into the bins had a considerably lower moisture content than usual and this caused the wheat to stand in the top of the bins at a much smaller angle of repose than would be the case if the grain carried a great deal of moisture; and, therefore, the bins filled up better than usual.

This addition consists of 18 circular tanks with an inside diameter of 25 feet and 90 feet in height. These bins are arranged in two rows, these two rows being spread apart in order to make the total width of the building 60 feet, thus providing 11 interstices of large capacities.

There is a full basement under the entire storage addition, designed in such a way that excellent ventilation and free access to the lower belt con-

veyors and spouting from the bins is permitted. In addition to a large amount of window ventilation in the basement, the elevator also has two large concrete air shafts running from the basement to a point 12 feet above the roof. The top of one of these ventilator shafts can be seen in the accompanying illustration.

On top of the tanks there is a reinforced concrete gallery 36 feet inside, running the full length of the building, 9 feet 6 inches high, to house the upper belt conveyors. At the end of the new addition, adjacent to the old elevator, is superimposed a new headhouse, which is 30 feet by 36 feet, and 62 feet high. This headhouse was built to accommodate the new unloading leg, hopper scales and garner.

The new storage and equipment for same is

from the cars onto a 36-inch belt conveyor, and is discharged into the boot of the elevator leg, and the elevator in turn discharges into a 3,000-bushel garner, below which is located a 2,500-bushel scale with a steel hopper. Below the scale is a turnhead permitting the grain to be spouted to either one of the four conveyor belts, two of which serve the new storage tanks and the other serving the old house.

With this turnhead it is also possible to spout direct to four large bins in the old house, seven bins in the new house, and one loading spout to cars on the track. The two upper belt conveyors, serving the new plant, have a capacity of 12,000 bushels per hour. There are also two long belts in the basement used for taking the grain out of the new bins, and these two belts can be made

to discharge either into the new elevator leg or to two auxiliary belts going to the old plant. All of the equipment is driven by electric motors.

The arrow in the upper part of the photograph shows the dividing line between the old plant and the new storage annex; the left portion constitutes the new work. This work was completely designed and constructed by the Jones-Hettelsater Construction Company and was finished in record time, as

was indicated at the beginning of this article.

One of the original tracing sheets of this project has been reproduced herewith; it constitutes a longitudinal section through the building. By using this in conjunction with the photograph of the completed building, which is also reproduced herewith, a fairly comprehensive idea of the construction can easily be gleaned.

Conservation of space and utilizing it to the best advantage was, of course, the chief motivating influence in building the addition; but unusual care was also taken to maintain operating efficiency with equipment placed and hooked up in perfect harmony with the old buildings. The usual safety devices were installed and attention given to providing against fire hazard in the laying out



NEW ELEVATOR OF THE WASHBURN-CROSBY COMPANY, AT KANSAS CITY, MO.

designed to work in conjunction with the old elevator and afford flexibility of operation. The new elevator leg was installed to receive grain from two new track unloading pits and also to be used for the turning and transferring of grain into the new addition. This new elevator leg is housed completely in a reinforced concrete leg well, poured monolithic, with the other concrete walls from the bin slab to the top floor on which the headshaft bearings are supported. This elevator consists of a 26-inch seven-ply rubber belt with two rows of 12 by 8 inch buckets, and is driven by a 100-horsepower motor connected with a Morse Silent Chain Drive.

The elevator leg has a capacity of about 13,000 bushels per hour. The incoming grain is received

THE AMERICAN ELEVATOR AND GRAIN TRADE

of the original plans. The buildings are as nearly fireproof as possible, consistent with modern engineering methods, and all dangers are reduced to a minimum.

The permanency of a plant of this sort warrants putting the best material into the building and securing of the most reliable services available in preparing the plans and putting them into effect, as the ultimate upkeep and costs of maintenance are materially reduced if the project has been properly supervised from the start. The monolithic concrete construction should give the building as long a life as any method now in use, and the use of first class equipment throughout, in the way of mechanical devices and operating machinery, has assured the owners that permanent provision has been made for uninterrupted operation.

The growth of the company's business, combined with the present tendency toward improved and larger crops in the Southwest will probably fully

been made to increase the storage capacity of the Harbor Commission Elevator No. 1 by another 1,000,000 bushels if necessary. No. 2 elevator will also be enlarged, providing for another 1,500,000, and further extensions are contemplated.

"JIM DUNN"

BY HOOZUS

Jim Dunn, who runs the elevator at Sperry Siding, says: "There's a lot o' peepul took a vacashun this summer, an' I ain't a'sayin' that a vacashun ain't a good thing t' take, providin' ya can afford it; but accordin' t' my figgerin' most peepul can't, an' they come back broke an' they spend th' rest o' th' year a'worryin' an' a'stewin' tryin' t' ketch up.

"Now, there's ol' Spot Ganz. His wife kept a'pesterin' him until he rigged up their Baby Lincoln an' they went a'tourin', 'stead o' Spot stayin'

how. There may be sumthia' wrong 'bout that calculashun.

Don't run a elevator jest for profit. Ya can mix a lot o' good things int' bizness—an' one o' them's Service.

When th' rain's a'comin' down hard is a good time t' look for leaks in your roof—an' mebbe in your bizness, too.

Farmers read a lot nowadays. You an' th' printer can profit by that.

It's nice t' admire th' other feller's elevator, but it's better t' have somebuddy admirin' yours. Fix it up!

Put a little humor in your bizness. It's like diamonds—scarce, an' attracts lots o' 'tenshun.

A NEW IDEA IN GRAIN MARKETING

BY W. I. BEAM*

Articles of incorporation have been filed with the Secretary of State at Lincoln, Neb., for the Fremont branch of the Nye Schneider Jenks Company in Nebraska. The object of the formation of the company is of peculiar interest to farmers and to companies operating lines of country elevators in that it combines the features of co-operative ownership of country elevators with the financial strength and business experience of the line elevator company. Many farmers' co-operative associations and companies throughout the country have been formed and have commenced business with limited capital, and limited experience in the purchase and marketing of grains, which have often been very detrimental to the success of the association or company, and have resulted in losses to the members.

Nye Schneider Jenks Company and its predecessors have for more than 50 years operated grain elevators, coal and lumber yards at Fremont, Neb., and, in common with the large public utility and telephone companies, the owner of the elevator, coal and lumber yards at Fremont realizes that a local business will become increasingly strong and prosperous to the extent when there is local interest in the business. In order to bring about that condition, the local business at Fremont has been incorporated under the laws of the State of Nebraska, with an authorized capital stock of \$250,000, and has acquired all of the assets of the former owner.

The citizens of Fremont will themselves set the price at which the real estate, elevators, buildings and other property will be taken into the business, and a half interest in the Fremont Company will be offered to the citizens of Fremont and to the farmers who make Fremont their headquarters. Nye Schneider Jenks Company will retain the other half of the stock. In order to make the sale of a half interest in the Fremont Company most effective, efforts will be made to have as many local stockholders as possible,—people owning a small number of shares each, rather than a few stockholders each having a large number of shares.

The advantages of this plan are many, and among them are the practical application of co-operative ownership where the stockholders do not have to go through the pangs of building a new business. They will become joint owners of a long established business of demonstrated earning power, with a capable management, an active list of customers. They will have the advantage of ample finances, the best of experience in the buying and selling of grain, and will be able to use the buying power of Nye Schneider Jenks Company, which remains half owner of the Fremont Company, to get the lowest prices in the purchase of its coal and lumber.

The farmers and citizens of Fremont who acquire stock in the Fremont Company will have made practically their own price for the properties and all of the officers of the company will be Fremont men or farmers from the adjoining territory. Thus has the theory of local ownership and co-operative buying and selling been combined with

*W. I. Beam is vice-president and treasurer of the Nye Schneider Jenks Company, of Chicago, Ill.

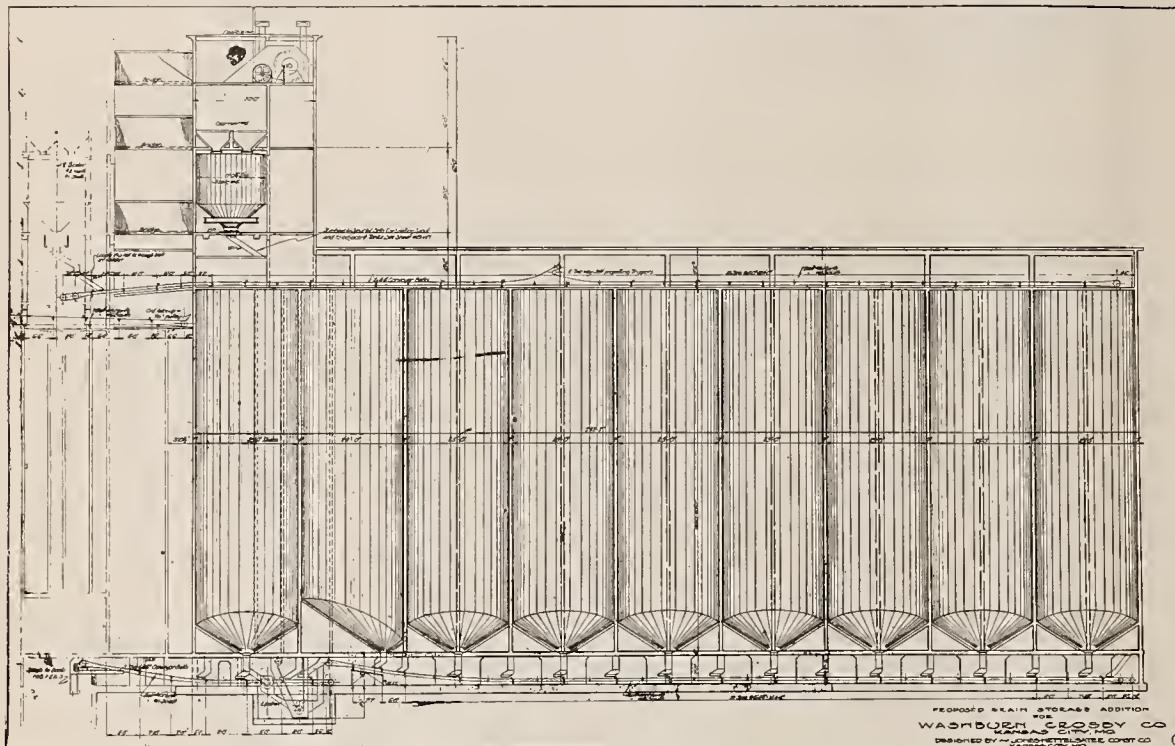


DIAGRAM OF STORAGE, NEW WASHBURN-CROSBY ELEVATOR AT KANSAS CITY, MO.

confirm the belief in the necessity for this additional unit of large storage capacity; and its being loaded to full capacity immediately after the completion indicates the urgent necessity.

CANADIAN WEST COAST TRADE

Fears are no longer being expressed that lack of shipping will interfere with the development of the Canadian Pacific Coast's export grain trade. Vancouver's growth as a grain port during the past two years has been nothing short of phenomenal, and there is every indication that this growth will continue for a considerable period almost as rapidly as it has in the immediate past.

On a single day not long ago there were 46 grain carriers in the port of Vancouver awaiting cargo. It is predicted that, during next year, Vancouver will be the gathering place for as large a fleet of grain carriers as anywhere on the continent, and preparations are being made to treble the facilities for handling the westward flow of wheat.

This season the port of Vancouver will be equipped to handle 150,000,000 bushels of wheat. Last crop year it took care of 55,000,000 bushels with only one elevator with a storage capacity of 2,000,000 bushels. Since then, grain handling and storage facilities of the port have been trebled. From a storage capacity of 2,000,000 bushels, by next January this will have been increased to 6,450,000 bushels.

The capacity in bushels of the five elevators in the port of Vancouver by the end of the present year, or what will be about the middle of the crop season will be as follows: Harbor Commission No. 1, 2,000,000; Harbor Commission No. 2, 1,500,000; Harbor Commission No. 3, 650,000; Spillers Elevator 2,000,000; Columbia Elevator Company 300,000; total capacity 6,450,000. Provision has

an' overhaulin' his elevator so's it'd be in shape t' take care o' th' big crop o' wheat an' oats.

"When Spot got back, th' stuff was a'comin' in, an' Spot tried t' run her jest as she was; but th' ol' shack broke down th' first day, an' by th' time Spot got her fixed up, th' heft o' th' bizness was over. Now Spot's a'blamin' ever'budy but himself, an' him an' his wife's been havin' some mighty tall argyments over that there vacashun.

"Spot, he said t' me th' other day: 'Dunn! ya're kinda ol' fashioned all right, but seems like ya allus go along takin' things easy like an' makin' a little money all th' time.'

"I jes kinda smiled a little, an' I says t' Spot, I says: 'Spot! I usely let Marthy have her own way until she begins t' interfere in my bizness, an' right there I allus take th' wheel an' put Marthy in th' back seat.'"

LITTLE TIPS FROM "JIM DUNN"

Some fellers is runnin' mills when they oughta be runnin' elevators, an' some elevator men would be better off back on th' farm. But who's goin' t' be able t' make 'em see it?

Some fellers spend half their life learnin' the grain bizness, an' th' other half wishin' they'd learned something else.

If ya want t' keep a customer a'comin', ya gotta give him all that's a'comin' t' him an' th' impresshun that he'll get jest a little more if he comes back again.

Some elevator men spend their time a'worryin' an' a'frettin', while their neighbors spend theirs a'hustlin' an' a'gettin'. You can still get in either class.

There's more peepul takin' a trade paper than ya'd think; but then there's a lot o' peepul in th' world, an' there's still some that don't.

Ever'buddy's a' sayin' "It Ain't Goin' T' Rain No More," but ya better get that roof fixed enny-

October 15, 1924

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practical business, ample finances and experience, all of which have been sadly lacking in many of the co-operative enterprises which have been unsuccessful.

The reception which has been given to the plan by the local farmers and citizens will probably cause Nye Schneider Jenks Company to decide to apply this practical method of making co-operative business successful to a number of its other country elevator properties which have a profitable past record.

CORN IN CANADA

By C. H. BROOKS

Corn has definitely taken its place as a fodder crop in western Canada, and every year the acreage increases.

In 1923 the three prairie provinces, Manitoba,



WINNOWING OATS IN MACEDONIA

Saskatchewan and Alberta, produced corn crops amounting to 781,800 tons, worth \$3,415,000 from 148,089 acres. In Manitoba, 32,323 acres producing at a rate of seven tons per acre accounted for a production of 226,000 tons, which at an average price of \$4.70 per ton was worth \$1,062,000. In Saskatchewan 61,813 acres at an average of 4.95 tons per acre produced 304,800 tons, worth \$5.25 per ton or a total of \$1,600,000. Alberta devoted 53,953 acres to corn culture which averaged 4.65 tons to the acre, or a total of 251,000 tons, worth \$753,000 at the average price of \$3 per ton.

This may not seem a very impressive aggregate except when read in a just appreciation of the remarkable development in this culture. Five years ago the production of corn in western Canada was but in its infancy. Since 1915 the acreage devoted to corn in western Canada has increased by 1.85 per cent, the production by 3.809 per cent and the average production per acre from 2.63 tons to over 5.50 tons. Corn production has become a sufficiently established industry for western Canada to hold corn shows and it is slowly effecting a general transformation in the nature of the landscape through the wide erection of silos on the farms of the area.

The present year is witnessing a greater stimulation than ever in corn production in western Canada. It is estimated that 100,000 acres have been planted to this crop in the province of Saskatchewan and 100,000 acres in southern Alberta. Taking these two provinces alone, a substantial increase in acreage is indicated, amounting to nearly 50 per cent over the year 1923. There is every probability of Manitoba's recording a somewhat similar increase.

Such agricultural features as corn-growing associations and corn shows were undreamed of in western Canada a few years ago. Associations for the promotion of corn growing and to band together in mutual interest cultivators in the territories, were formed in Alberta and Saskatchewan in 1923. In 1923 the first corn show ever held in western Canada was held in Prince Albert, a city several hundred miles north of the international

boundary. In the fall of the year the first official corn show of Saskatchewan was held at Maple Creek, which drew together 500 exhibits and made altogether a very creditable showing. Now the first corn show of the Province of Alberta has been set for November of the present year at Medicine Hat.

ADVERSE CONDITIONS SEEN IN MACEDONIA

It is expected that the yield of wheat this year in Macedonia will be greatly decreased. According to a report recently sent to the United States Department of Agriculture, by Vice-Consul Beaumont, agricultural conditions are very unfavorable due to the drought. The director of the ministry of agriculture just lately has returned from a tour in eastern and western Macedonia, and this report is based on his observations during the trip.

given by the facts already stated. The influx of refugees has upset the general equilibrium considerably, and the probable outcome will be numerous other adjustments in the immediate future.

The accompanying illustrations will give some general idea of how the business is being conducted at this time in the region under discussion. While progress has been comparatively slow in the past, it is reasonably anticipated that advances will be made more rapidly in the future. The expected decrease this year is in line with general conditions as reported for the adjacent and surrounding areas.

MOVEMENT FOR COBURN MEMORIAL

A movement has been started for a memorial to F. D. Coburn, former secretary of agriculture in Kansas. Probably the greatest period of Mr. Coburn's services to the state occurred in the nineties, when he tried during that discouraging period to instill hope and confidence in the people who resided in the state and encouraged immigration from other states.

He served for 21 years as the head of the state's Department of Agriculture and during that period he made no undue or unwarranted claims, nor did he allow any expressions of discouragement or disheartenment to go forth from his office. He sponsored no unworkable theories, and knew the problems of farming at first hand. He became a national authority on agricultural problems, and his publications were used internationally. C. Q. Chandler, of Wichita, Kan., is treasurer of the Coburn Memorial Fund, which is soliciting subscriptions.

HANDLING PROFITS

By TRAVELER

The title of this article may bring a rather cynical smile to the faces of grain men, who have gone through the last few years with "no such animal" as "profits" to reward them for their toil; but this year seems to promise something different. At least, it has been a year where the chances were very much in favor of the grain man making money.

There was a good wheat crop and the oats yield was unusually large, and now, in spite of its bad start, the outlook is very promising for



A WHEAT MERCHANT, SATOKA, MACEDONIA

prove very unfortunate, as the thousands of refugees now in the agrarian districts will likely enter the already crowded towns and cities. In the region of western Thrace it is reported that rainfall has been plentiful and favorable weather will produce a good yield from that district as no fallow land is unworked in western Thrace.

Recent political upheavals in Europe have been of considerable effect in changing conditions in this territory. Evidence of the importance of changes caused either directly or indirectly by the war is

a very fair crop of corn. Added to this, there has been a substantial advance in prices since the beginning of the season, and this should go a long way toward piling up profits for the grain man.

Anyway, I think there will be some mighty nice profits to distribute at the end of this year, and for those who will not have to use the entire amount in taking up old "paper" at the bank, the following suggestions are offered.

To begin with, it is generally conceded that a proper amount should be charged off for depre-

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ciation each year. That is permitted, and even advocated, by the income tax department. But, in addition to this, one should set aside certain other individual sums for particular purposes. The sums charged off for depreciation are usually sunk or lost sight of in the investment account, and, if some particular need bobs up suddenly, one either puts it off or feels that he is digging into the year's profits to pay for it.

We'll suppose, for instance, that your elevator is fairly well equipped, but, in your judgment, the needs of the business will require an additional and improved form of cleaner within the next year or two. Why not open up "Cleaner Suspense"

account and credit it with a part of the possible cost of this cleaner. When the time comes for purchasing this machine, you may have the amount ready or, at least, be able to make a substantial payment on it without feeling the drain on your resources.

This same plan may be followed with other departments, or one general "Equipment Suspense" account could be carried to take care of it all. In any event, such a plan, or something similar, would be a great stimulus in keeping up equipment in an elevator, and would go a great way toward expanding the business and eventually bring about greatly increased profits.

Hints for the Elevator Millwright

Big Bill Tells About Chickens, Elevator Sweepings, Cats, and What He Did with Them

By OLD TIMER

MORRIS M. MARSTON, who owned the "Square Deal" Elevator at Massaboag Lake, was the envy of all elevator owners on account of his fine elevator and the exceedingly capable millwright, William Davis, who was known to all by the affection term of "Big Bill." He was "big" in body, mind and spirit, and was envied too, by brother millwrights and everybody else. Big Bill had a fine chest of tools, a fine head of brains and last but not least, a fine wife, who was not only good to look at, but was a fine helpmate for her Big Bill and who also was exceedingly enterprising, and to this was due the "flier" Big Bill took in raising chickens and cats. But Bill says he never raised a cat, nor even touched one, and as it all happened five years ago, why dig up the matter now?

When Bill came back from dinner after being chaffed by Mr. Marston until he promised to tell about the chicken business, he found every person, from Mr. Marston down to the last sweeper hired all lined up in most comfortable positions, waiting to hear the story. When Bill saw the crowd, he started to bolt, then changed his mind and began thusly:

Wife nagged me into contracting for the sweepings and screenings from this elevator for the purpose of raising a lot of chickens. We bought a hundred fowls and by supplying green food and the other things necessary, those fowls began earning a right smart bit of money for us. Wife wanted to go the limit, so we set hens, bought baby chicks, and talked of setting up an incubator.

We were getting along fine—took me all the time evenings and mornings, and wife never got time any more for sewing circles and quilting bees, for we had nearly 300 little chickens to take care of. But first thing we knew, we didn't have as many. They began going off by the dozens, and soon, a heap of them were missing. Then wife found a chicken half eaten up, and made me watch at night, as well as work days and evenings. I loaded up the old shot-gun, and started in to watch for what might come. But, hanged if I didn't fall asleep and when wife "jumped" me, kind of sudden-like, I fired off both barrels of the gun before I got woke up. The charge knocked the fire shovel out of wife's hands, it went so close to her, and she "beat it" to the house, yelling at every step that "she was killed, and not to shoot again."

Well, that scared me so I kept awake after that, and then matters had sort of quieted down, I began to see things prowling around our chicken pens and coops. Pretty soon, there was a squawk, a few peeps, and a cat came trotting past me with something in its mouth. I fired, and that cat began to do flip-flaps and pin-wheels. Then wife came out with a lantern, hollering at every step for me "not to shoot, not to shoot."

As wife came along with the lantern, cats started up from everywhere and slipped into darkness. But one cat stayed, and we found a dead chicken beside of it. Just then, wife yelled: "There goes another," and I got a glimpse of a black and white

one slipping out of sight. I fired at it and wife started toward the rumpus it began to kick up beside of the fence. But wife didn't go far. She stopped, grabbed her nose and cut for the house, leaving the lantern on the ground. I left it there too, for just then a 40-horsepower odor of skunk filled my nose, and I "beat it" after the wife!

Next day, wife and self had some good laughs over what had happened, then she said: "Bill, what are we going to do? If you shoot all those cats, we will be 'in bad' with all the neighbors, and we can't raise little chickens with those cats watching for them!"

My "think-tank" had been running most of the night, and I said: "Just you tell all the neighbors that I will never shoot at a cat. You can tell them we shot a skunk last night, if they don't know it already, which I think they all do."

"Well, Bill," said Mr. Marston, "that was sure some bluff! What did you do, then?"

"Why there was hardly a cat to be found within three miles of here. All the elevator cats disappeared and everybody bought 'Rough on Rats' and 'Electric Paste' to keep the rats down!"

"Yes," said Mr. Davis, "and do you remember the birds? Never were there so many birds around here, and so few insects. It would be a big thing for the United States if each and every dog and cat were removed. But here is what I did. I don't mind telling you now, for it was five years ago that the hen and cat business took place—before I went to work in the Bumper Elevator—"

"Yes," interrupted Mr. Marston, "and when you came back two years ago, the marshal or constable met you and wouldn't let you bring your goods into town unless you would agree before witnesses to keep hands off the cats! Now, just tell us what you did."

"Why, nothin' much, only I dug a trench, just wide enough to stand in, along the back hen-yard fence. That is, I started the trench. Dug about four feet of it, and left it there. Then I got two heavy packing boxes from the hardware store and placed them in the chicken yard. The boxes were about three feet square and I propped up a side of each on a piece of board so the hens could get under, and wife fed the fowls under those boxes.

"I bored a couple of auger holes in one side of each box, one hole close to the top, the other hole about six inches from the bottom. On the opposite side of the box, I cut a hole 10 inches square, near the bottom, and fitted it with a slide which was placed on the outside of the box. A cleat was broken around the hole and four wire nails were driven in and sharpened so I could hook a grain sack over that 10-inch hole same as over the end of a stock spout in the elevator.

"Each night, just at dark, I took out the prop board from under each box and put in a 'figure four,' the spindle of which was baited with a bit of meat tied on with chicken feathers around it. A nail was driven into each box, above the slide, and left projecting an inch, to fasten a cord to, so the box could be tipped by pulling the cord.

"In the morning—just before daylight—I looked

at those boxes and if they were 'sprung' as they both usually were, I hiked down there and peeked into the top auger hole in each box. If I saw a cat inside, I hooked a grain sack to the back of the box and pulled the slide. Then a stick was 'pugged' through the lower auger-hole and pretty soon, something hopped into the sack, which I grabbed near its mouth and unhooked from the box.

"It was so dark inside the box that I could only see whether it was cat or skunk in there. If it was a skunk, I got away real quick, hooked a cord over the nail in back of the box and waited for daylight enough to see to shoot. Then, with gun in hand, a pull on the cord tipped the box over and the skunk made off toward the back fence. The gun roared and the skunk fell right into the trench and I only had to throw in some dirt to cover that bit of perfumery—and all the neighbors knew by ear and nose that "Big Bill" had shot another skunk!

"But when there was a cat in the box, and it had jumped into the grain sack as told above, I just 'swiped' that sack against a tree near the trench. I hit the tree twice, as hard as I could—and that's some hard, eh? Threw the sack into the trench, dug another foot of trench, throwing the dirt back, covering the sack with the earth removed from the newly dug bit of trench.

"If a neighbor came along asking, 'Anybody seen our cat?' I could truthfully say 'No!' and add, 'I saw a cat in my chicken yard very early this morning. It was so dark I couldn't tell whose cat it was, but I haven't seen it since. But boys, it did grieve me to cover up all those fine cats without even looking them over, for at that time, when furs were all the rage among the ladies, cat hides were quoted as selling from \$1 to \$6 per pelt, according to condition of hide and marking of the fur. But I never saw one of them!'

PIONEER GRAIN MAN DIES

Albert J. Wheeler, one of the pioneers in the development of the elevating and milling industry along the Buffalo, N. Y., harbor front, died September 25, at the age of 73 years. Since leaving school at the age of 19 years, Mr. Wheeler has been actively identified with the grain and milling industry at Buffalo and was the owner of various grain elevators on the water front, several of which bore his name. At the time of his death Mr. Wheeler was president of the Western Savings Bank and Wheeler Elevator Co., of Buffalo.

Born in Buffalo, August 3, 1841, Mr. Wheeler was educated in the grammar school and later graduated from the W. S. Smith Military High School. When 19 years old he entered his father's office on the old Central wharf, and in 1864 he became a partner with his father in the grain elevating business at Buffalo. Purchasing the old Wells grain elevator on the island in the Buffalo River, the firm built an addition and renamed the elevator the Wheeler. When the elevator was destroyed by fire in 1888, a new structure was erected on the same site. This, too, was burned in 1906. The Ontario elevators on the Evans slip were built by Mr. Wheeler and his father in 1888. It was burned in October, 1904, and was replaced by the Monarch Elevator with a capacity of 600,000 bushels, which was considered quite large at that time. In 1870 Mr. Wheeler established a malting business in Perry Street, where he built a plant.

After the death of his father in 1892, Mr. Wheeler continued to conduct the elevating and malting business. Thirty-two years ago he was elected a trustee of the Western Savings Bank and in 1896 was chosen its president. He has filled this office ever since. When the German Bank failed in Buffalo in 1904, Mr. Wheeler was selected by the attorney-general as the receiver. The skill with which he handled the affairs of this defunct financial institution attracted wide attention at that time. Mr. Wheeler was a member of the Buffalo Chamber of Commerce and the Masons. Besides his widow, Mr. Wheeler is survived by one son and three daughters.

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TURKEY RED WHEAT

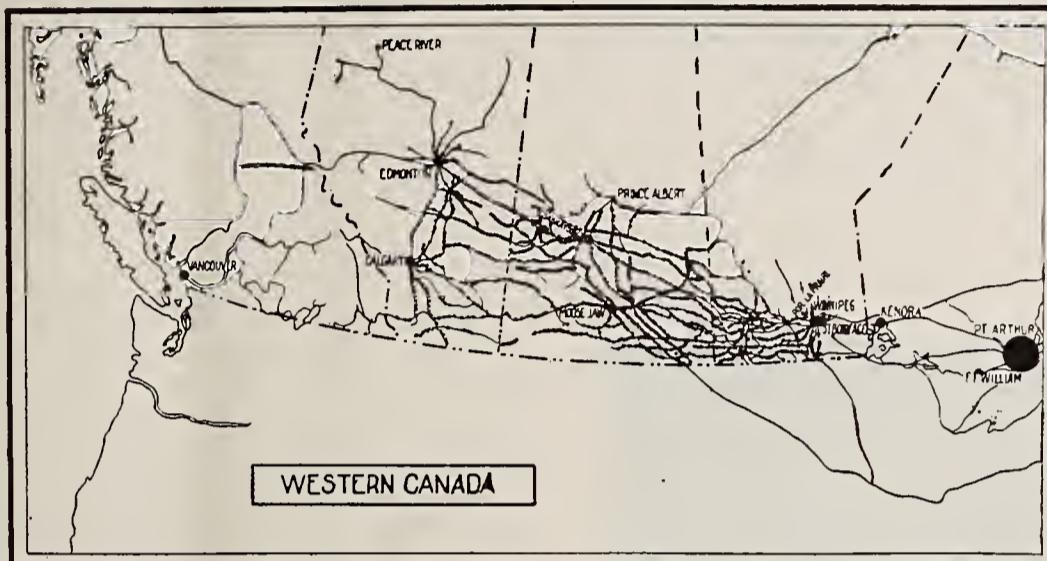
By H. M. BAINER

Three-fourths of the wheat raised in Kansas, Nebraska and Oklahoma is the old reliable Turkey Red, which is 75 per cent of all the Turkey Red produced in the United States. While there are 12 commercial varieties of Hard Winter wheats grown in the United States (under about 40 different names) the three principal varieties are Turkey, Kharkof and Kanred. Turkey and Kharkof are about the same and are equal in quality, and until the introduction of Kanred, eight years ago, these two varieties made up nearly all of the Hard Winter wheat acreage.

Kanred was developed from selections of Turkey Red, and on account of the wonderful claims made

Hammatt, of the United States Department of Commerce, in which he has succeeded in stressing the salient facts regarding the Canadian marketing system. He has found that the primary movement of western wheat is from the farms of Manitoba, Saskatchewan, and Alberta to the 1,600 or more shipping stations which dot the Prairie Provinces and are located on the Canadian Pacific and Canadian National Railways. The 4,000 or more country elevators at these stations are the first point of contact between the grain growers and the grain trade, furnishing facilities for weighing, short-time storage and shipping, and constituting the local market. From them the wheat flows in part to western mills and in part to Vancouver on the Pacific, but mainly to Fort William-Port Arthur.

The designations given to the various classes of



LOCATION OF ELEVATORS IN CANADA: SMALL DOTS INDICATE COUNTRY ELEVATORS AND LARGE ONES ARE TERMINAL ELEVATORS

for it, this variety increased with great rapidity for the first few years. The points of advantage for Kanred over Turkey are said to be that it is more winter-hardy, slightly earlier, more rust resistant and a better yielder. However, it has "off years" when its points of advantage are not noticeable. But now, after a few years' trial, Kanred is not pushing to the front so rapidly; it has weaknesses and drawbacks, among them being: A very weak straw, causing it to lodge easily; it develops yellowberry or starchiness more quickly than Turkey, and is not equal in milling qualities.

Blackhull, another new variety and also a selection from Turkey Red, makes a beautiful appearance, but is disappointing in quality. It is not a satisfactory milling wheat on account of its tendency to become soft and quickness to develop starchiness, especially when grown on sandy lands and in river valleys.

Going back to Turkey Red: That wheat farmers and millers are not "sold" on Kanred and Blackhull is indicated in connection with this year's seed wheat campaign of The Southwestern Wheat Improvement Association. Two years ago a large part of the inquiries for seed wheat were for Kanred, but this year, out of requests for 20 carloads of seed wheat for central Kansas, every one was for Turkey Red. Turkey Red made the Southwest famous. It is the best milling wheat known. About all that is necessary to sell flour is to advertise that it is made from Turkey Red.

THE CANADIAN ELEVATOR SYSTEM

The importance of Canada as the leading competitor of the United States in the world wheat trade is made impressive by the fact that Canada has expanded her wheat production from an average of 197,000,000 bushels before the war to 470,000,000 in 1923. Because of her relatively small population, 70 per cent of the Canadian wheat must be sold abroad, and the necessity of moving most of this wheat quickly and cheaply a distance of some 2,000 miles to the seaboard has been the incentive to develop a marketing system which has proved remarkably efficient.

A general survey has been made by Theo. D.

spection certificates issued when the grain was loaded out of a terminal elevator in the western division. The elevators at the lower lake ports, Montreal and St. John, are public elevators. An elevator used as part of any plant engaged in the manufacture of flour or other grain products is termed a "manufacturing elevator." All elevators operate under licenses issued by the board of grain commissioners.

During the crop year 1923-24 the report of the Canadian Board of Grain Commissioners shows by provinces the number of elevators of different classes in operation as follows:

ELEVATORS AND WAREHOUSES IN THE WESTERN AND EASTERN INSPECTION DIVISIONS

Provinces	Stations	Elevators	Capacity
Manitoba:			Bushels
Country elevators	387	681	20,458,600
Manufacturing elevators	(2)*	3	895,000
Interior public terminal elevators	2	2	2,000,000
Private elevators	(5)	10	1,885,000
Total	389	696	25,238,600
Saskatchewan:			
Country elevators	829	2,433	76,199,020
Interior public terminal elevators	(2)	2	7,000,000
Private elevators	(2)	3	1,235,000
Total	829	2,438	84,434,020
Alberta:			
Country elevators	378	943	35,496,000
Manufacturing elevators	(5)	5	766,000
Interior public terminal elevators	(1)	1	2,500,000
Private elevators	1(4)	11	1,646,000
Total	379	960	40,408,000
British Columbia:			
Country elevators	4	4	74,000
Manufacturing elevators	1	1	30,000
Public terminal elevators	(1)	1	1,250,000
Private elevators	(2)	6	410,000
Total	5	12	1,764,000
Ontario:			
Country elevators	1	1	40,000
Public terminal elevators	(2)	10	39,775,000
Private elevators	3(4)	28	25,335,000
Public elevators (eastern division)	10	14	19,850,000
Total	14	53	85,000,000
Quebec:			
Public elevators	2	7	12,150,000
New Brunswick:			
Public elevators	1	2	1,700,000
Nova Scotia:			
Public elevators	1	1	500,000
Grand total	1,620	4,169	251,194,620

*Figures in parentheses excluded from total.

At the lake front there are 35 elevators, most of them large plants, with an aggregate capacity of about 6,300,000 bushels. Their principal functions, as contrasted with the country elevators, are cleaning, long-time storage, and the transfer of incoming grain to outgoing cars and vessels. They absorb the flow from the interior and pass it along



A LINE OF CANADIAN ELEVATORS

not because they are at the end of a transportation route but because it is at these points that western grain receives its final inspection, the grade on which it is sold on the world's markets. A "private elevator" is an elevator which is licensed by the board of grain commissioners under the rules and regulations governing sample markets. All grain received into such elevators must be their own property. Nevertheless, the owner or owners of grain may contract for the handling or mixing of grain in such elevators. The term "public elevator" signifies an elevator in the eastern division which receives grain from the western division after such grain has been officially inspected. Shipments pass through these elevators under the in-

response to the demands of eastern and foreign buyers.

The movement from this great reservoir is chiefly down the Lakes, supplemented by a small eastward movement by rail during the winter. The lake carry is really a ferry from western to eastern rails. The elevators by which the grain is handled at the lower lake ports serve primarily as transfer houses and are a part of the transportation system. Through these elevators the grain flows on to eastern mills or to Montreal and Atlantic Seaboard ports for export. The seaboard elevators are also primarily transfer houses.

The country elevators, with few exceptions, are wooden structures. The vast majority have a ca-

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pacity of 30,000 bushels. There are, of course, some smaller houses, and a few whose capacities run up to 60,000 bushels. The number of bins is usually from 9 to 11. The present cost of erecting a 30,000 bushel house with standard equipment is about \$9,500. The cost of operation is said to average about \$3,600 a year including interest on the investment, when a considerable number of elevators are operated by one company. To be profitable, the turnover should be three or four times the capacity of the house. The elevators are all located on sites leased from railway companies.

The list of licenses for the year 1922-23 issued by the Department of Trade and Commerce credits the Prairie Provinces with 3,929 country elevators, which were distributed as follows: Manitoba, 385 stations and 693 country elevators; Saskatchewan, 797 stations and 2,304 country elevators; Alberta, 270 stations and 932 country elevators.

Two-thirds of the shipping stations have two or more elevators. A summary issued by a trade association in 1922 states that: 493 stations had one elevator; 403, two elevators; 267, three elevators; 202, four elevators; 123, five elevators; 44, six elevators; 13, seven elevators; 5, eight elevators; and 2, nine elevators. About 60 per cent of the country plants have been built since 1910. The number in the west today is about 4,200.

A country elevator is a grain buyer's plant. It is built by a grain buyer primarily to assist him in handling purchased grain. But it is also a public warehouse, since the operator of a country elevator is required by law, so long as space is available, to store grain for farmers without discrimination between persons and at rates approved by the Board of Grain Commissioners. The business of the companies owning country elevators is buying and selling grain and their profits arise mainly from this source. Nevertheless, in the public interest and in view of the dependence of grain growers upon them for essential services, they are required to make the facilities of their plants available to the farmers, even to farmers who may eventually sell their grain to rival dealers. It is well within the mark to say that in no other country are farmers given by law the wide privileges in respect to the use of elevators they do not own that they enjoy in Canada.

Experience has shown that warehousing alone, at Government rates, will not afford a country elevator fair commercial profits. The opinion universally held by country elevator operators has been expressed in an official report in the following words:

If country elevators depended entirely upon storage business for revenue, they would not make commercial profits. Practically all country elevator companies are grain merchants as well as warehousemen. The merchandising of grain, therefore, provides the element of profit necessary to the successful undertaking of a line of country elevators. Also, if country elevators had to depend exclusively upon their merchandising operations for their revenue, they would undoubtedly find themselves financially embarrassed at the end of the season. To carry on successful business, the country elevator company must exercise both functions, that of storage house and of merchandising the grain, endeavoring at all times to attract as much grain to their lines as possible.

In Canada the line elevator company has proved to be the most successful type of elevator organization. A line elevator company is an organization owning elevators at a number of different points and operating them under one management. The extent to which the country elevators are operated in lines rather than as independent plants is indicated by a report of the Department of Trade and Commerce that lists the holders of elevator licenses at the beginning of the license year 1922-23. At that time the ownership of 3,800 country elevators was divided approximately as follows:

	Elevators
2 farmers' companies owned.....	670
40 commercial elevator companies owned....	2,290
6 milling companies owned	470
172 other operators owned	370

The largest operator of country houses was the Saskatchewan Co-operative Elevator Company, with 352 plants. The shareholders of this firm are farmers. The lines of the 40 larger commercial elevator companies ranged from 20 to 275 houses,

10 of them operating 70 or more each. The six milling company lines ranged from 15 to 170 houses. All of the larger lines of country elevators, except the mill lines, are owned by companies that also own private elevators at Fort William, Port Arthur or are closely affiliated with companies operating public terminals. The elevator companies usually include the selling of grain on commission among their activities. In other words, the common practice in western Canada is integrated organization. This has been followed more or less closely by the commercial companies ever since wheat was first grown extensively in this territory but was not adopted by the co-operative companies until numerous attempts to conduct farmers' elevators independently or as single-unit enterprises had proved disappointing. Probably the Government elevator at Port Arthur is the only large elevator at the lake front that is without direct country elevator affiliations, a condition due to the fact that neither the Dominion Government nor any of the provincial governments own country elevators.

“WHEAT KING OF CANADA” DIES

On September 19 James Carruthers, who has been very prominent in the Canadian grain exporting business, died suddenly. He had been removed to



THE LATE JAMES CARRUTHERS

the General Hospital at Montreal and died of apoplexy the same day. He was considered a leading authority in Canada on world markets, and had earned the title of being “the wheat king of Canada.”

Mr. Carruthers was born in Toronto on August 13, 1853, a son of Andrew and Janet Carruthers, who were natives of Dumfrieshire, Scotland. During three years in the office of T. C. Chisholm, then the largest grain dealer in Canada, he acquired the preliminary training for a successful career in the grain business. He next became a partner with Crane & Baird, and later joined the firm of Norris & Carruthers. When the partnership ended he formed the firm of James Carruthers & Co., Ltd., from which he recently retired.

The funeral was held September 22 and many prominent flour and milling men, as well as grain men, attended the ceremonies. A special meeting of the corn exchange board was held, with F. A. Heywood presiding, and a resolution was passed to express respect and sincerest regret at the passing of one so well known and highly esteemed in the trade.

Mr. Carruthers had acquired unusual prominence both in the trade and out of it, and was looked upon as an authority on world markets and one of the leading men in the export trade of Canada and the United States.

NORTH DAKOTA STATE MILL AND ELEVATOR

The State Mill and Elevator at Grand Forks is one of the points around which the local political campaign in North Dakota is revolving. We are indebted to Edward Racine of Belgrade, Minn., for some of the campaign literature on both sides of this mill and elevator question. One document gives a list of the officers, employes and salesmen of the mill and elevator. It does not include the practical millers or the common labor. The officers and employes number 73, this number including office boys, typists, etc. The monthly salary list of these 73, last December was \$12,235.02. This would amount to \$146,820.24 for a year.

The point made of this salary list is that Gov. Nestos is not giving the mill and elevator an honest trial, as he promised, but has overmanned the plant with office help and salesmen. The pressing need is declared to be to get a business manager “who will only employ people needed and run the institution on business principles.”

But this salary list tells another story which would indicate that Gov. Nestos is really giving the mill and elevator “a fair, full and honest trial,” as he promised. Omitting the salary of the manager, more than half of the salary list was for salesmen and the sales office. That would indicate that an attempt was being made to operate the plant at as nearly full capacity as possible, so as to produce flour at the lowest cost. To do that would make it necessary to market the product and hence the score of salesmen employed. None of the salaries seems high and some are low.

The figures given by the mill and elevator authorities show that up to August 1, 1923, the mill lost \$128,058.53 in running expenses. Interest paid on bonds amounted to \$161,485.41 and depreciation, \$20,356.81. From August 1 to December 31 there was an operating profit of \$49,633.06, but there was also an additional loss in interest of \$81,254.92 and depreciation, \$36,723.90.

Up to August 1, 1923, the operating expense was 49 cents per barrel, the selling expense 33 cents and the general expense 13 cents per barrel; or a total cost of 95 cents per barrel. But from August 1, 1923, to March 31, 1924, the operating expense was reduced to 31 cents per barrel, the selling expense to 30 cents and the general expense to 12 cents, making a total cost of 73 cents per barrel. This would show a reduction of 22 cents per barrel or 23 per cent in the cost of running the business.

When it is considered that the State Mill launched into the business when profits in milling were small and had all the troubles of a new and unknown plant in getting business on a market already overstocked, the showing looks tolerably good. There is certainly no evidence of mismanagement or graft. The Governor seems to be redeeming his promise to give the mill and elevator a fair and honest trial. There would seem nothing else to do, since it would appear that having been ordered to be built and operated by a vote of the people, the mill and elevator plant is not a political issue, and it would require an initiated measure to discontinue it.

QUARANTINE AGAINST FLAG SMUT

A quarantine on wheat straw grown in all counties in Illinois where flag smut is known to exist has been declared by the Illinois State Department of Agriculture. This is done to protect wheat growers in localities where the disease has not appeared. Flag smut, an Australian wheat disease, was first found in Madison County, Ill., five years ago. In spite of all efforts to control it, the disease has now become fairly common in Madison, St. Claire, Monroe and Jersey Counties and five fields in Greene County, seven in Logan, four in Scott, three in Macoupin and one in Hancock County have shown infection. The disease has also made its appearance in three Missouri and five Kansas counties.

Grain Dealers National Convention

A VERY decided interest in the trend of national affairs marked the tendency of conversations and discussions on the convention floor when President Watkins called the meeting to order for the first morning's session of the twenty-eighth annual convention of the Grain Dealers National Association on September 22. The fact that the country was on the eve of an important national election added to the field for conjecture, and the vital issues which have confronted the grain trade for the last few years added to the interest in discussions of legislation and Government functions in general. Prominent speakers stressed these features and held the interest by following out the ideas foremost in the minds of the membership.

The meeting was held in the ball room of the Hotel Gibson, in Cincinnati, Ohio, on September 22-24, inclusive, and several of the local grain men present, in their reminiscences, remarked that it had been 17 years since the Association met in Cincinnati. The registration showed a figure considerably in excess of 500, exclusive of the ladies and guests.

The morning session of the first day was devoted to welcoming the delegates and the expressions of appreciation by the convention to the Cincinnati grain men for the excellent provisions

by offering needed amendments, all of which were debated with no small interest.

There was much comment on the entertainment features, and gratitude was sincerely expressed in one of the resolutions, to the personnel of the Cincinnati Hay and Grain Exchange, who had arranged this part of the program. No effort or expense had been spared, apparently, in providing for the enjoyment of the members and their guests.

The Opening Session

Preceding the formal opening of the first session of the convention Curtis Williams led the grain men in an informal sing.

The President: The convention will now come to order and will be standing while the Rev. Carlton W. Atwater, Pastor of the Lincoln Park Institutional Baptist Church, Price Hill, Cincinnati, will pronounce the invocation.

Rev. Atwater: O God, Thou great Spirit Who art the source and the support and the end of all things,

of Cincinnati, and to tell you that he was glad that you were here, and to extend the proverbial keys of the city to you and to make his excuses. It will now devolve upon D. J. Schuh, the secretary of the local Hay and Grain Exchange, to greet us in behalf of Cincinnati, and we will hear from Mr. Schuh at this time.

MR. SCHUH'S ADDRESS OF WELCOME

ALL Cincinnati greets you. Your program states that I am to confine my remarks to an address of welcome. Your limitation causes me to entertain a feeling expressed by a certain colored gentleman who was to be the chief witness in a suit against the Alabama Great Southern Railroad. It seems that a friend of this darky had been killed in a railroad accident and that the court had agreed to permit the supposed only living eye-witness to tell his story just as he knew it. The judge turned to Sam and he said, "Sam, you have sworn to tell the truth, the whole truth, and nothing but the truth, but I warn you not to indulge in any deviation." Sam arose and he said "Yer Honor, I'ze goin' to tell what I knows an' I'ze goin' to tell de truf, but I don't know nuthin' about dis yere deviation." Therefore, gentlemen, I shall take the same stand.

I propose to include in this address of welcome a few remarks concerning Cincinnati. The privilege of extending to this convention the hearty and sincere welcome of the Cincinnati Hay and Grain Exchange strikes a responsive chord. I should not care to have you hear me simply utter phrases which are designed to meet the requirements of an address of welcome, since I have been charged with a greater responsibility—that of presenting to your minds the feeling which is in the hearts of the individual members of



PRESIDENT-ELECT FRED G. HORNER



VICE-PRESIDENT-ELECT C. D. STURTEVANT

made for entertaining the delegates. There followed an able analysis of the functions of the Association and a comprehensive resumé of the affairs of the past year in the reports made by the president and secretary respectively.

In the afternoon Mr. Withey addressed the meeting and a number of committee reports were received. The following day was opened auspiciously with an address by Judge R. W. Baggott, of Dayton, Ohio, whose remarks proved both entertaining and informative. Other addresses by Henry S. Ives, Congressman J. T. Begg, Professor J. E. Boyle, and W. A. Colston, added to the list of distinguished speakers present during the remainder of the convention.

One of the most profitable features of the annual meeting was the well prepared explanation of what has been done and will be done in regard to transportation, telephone and telegraph matters. Henry Goemann, who, through years of experience in directing these activities for the Association, has acquired a position of authority on such topics, enlarged on these subjects and covered all phases.

The Arbitration Committees demonstrated their increasing usefulness to the grain trade, and Mr. Hutchinson, a veteran in this line of work, in his report for the Appellate Committee clearly analyzed the progress made in this respect. The trade rules came up for consideration and active participation in their discussion on the floor indicated the interest of the membership in keeping the rules in as advantageous a condition as possible

we hallow Thy name. We thank Thee for Thy infinite mercy, Thine inexhaustible love, Thy unfailing care. We thank Thee for the privilege of working with Thee in the furthering of Thy Kingdom. We thank Thee for our country, for its wonderful resources, for its spiritual and moral elements. We thank Thee for all of the institutions, of religion, of education, of industry, of commerce, and of trade, that are trying to build up this country. We thank Thee for the great personalities, men and women, who are keeping these enterprises moving forward. We thank Thee for this institution and for the work that it does; for the privilege of helping Thee in the answer of that prayer that Thou hast taught us—Give us this day our daily bread. And so we pray at the beginning of this convention that Thou wilt bless the deliberations of this body, that Thou wilt guide the thought and the word and the action of each member, that these plans may be according to Thy plans, and from this convention sessions may every member go out and help to further the advancement of the Kingdom of love, justice and brotherhood throughout the world, as we ask it in Thy name. Amen.

The President: Mayor Carrel is physically unable to be with us today to extend to us the welcome of the City of Cincinnati. His representative, the Vice Mayor, was present and remained as long as he could, but as we were slow getting together this morning, he was compelled to be excused, but he asked me to extend to you the greetings of the City



VICE-PRESIDENT-ELECT JOHN S. GREEN

the Cincinnati Grain and Hay Exchange. It is my pleasure to bring to you the personal messages of each individual member, but I want you to know that they are the kindest thoughts, the sincerest good wishes and the truest feelings of gratification because of your presence here. We are confident that while you are in Cincinnati you will learn quite a few good things about our city. However, we feel that should we neglect to acquaint you with certain facts concerning Cincinnati's grain industry, the industry in which you are interested, we would be guilty of overlooking a very important part of our program.

When you convened here 17 years ago, Cincinnati enjoyed a reputation for being a large grain market, and we maintain that reputation today, although a few people do not seem to realize that we are entitled to that classification, since they believe that the absence of the breweries, the distilleries, the starch factories and the horses has reduced the business to moderate proportions. Last year we handled three times as much wheat as was handled here 17 years ago. Last year we handled 70 per cent as much corn as was handled 17 years ago. Of course, that record shows that our boys hadn't gotten around to all the stills. We feel that by the end of this year, the record for wheat will be three and one-half times what it was the last time you gentlemen convened in Cincinnati. However, our barley records show a very sad falling off. Cincinnati has been on the job since the "good old days." The figures demonstrate that, and I should say that the words that our old friend Sam referred to cannot be applied to Cincinnati. When Sam was called to the witness stand and proceeded to relate his story, he said to the judge, "Yo' Honor, my cabin is located on de rails ob de A. G. S. Railroad, an' one fine mornin' I decided to take a walk, an' I had no moah 'an' put my foot on dose rails when I saw de fastest freight train on dat dere railroad disappearin' in de distance. I walked along a little space an' I found a yuman

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laig right on de track, and I walk a little furder an' I found a yuman arm, an' a little furder on I found anudder yuman laig. An' I walk on a little furder an' right on de rail I found a yuman haid." The judge turned to Sam, and he said, "Sam, you say you found a human head on the railroad tracks?" "Yes, sah, Yo' Honor, I did." "Well, what did you do when you found this human head?" "Why, I stooped down, an' I picked it up, an' I gazed at it, an' it was the haid of my friend, Henry." "Well, Sam, when you stood there gazing at the head of your friend Henry, what did you think?" "Well sah, yo' Honor, I thought that sumthin' musta happened to Henry."

But nothing has happened to Cincinnati, outside of the fact that we have gone dry. Surely you gentlemen show by your presence here a recognition of the fact that Cincinnati is a grain market. We want you to realize that we fully appreciate that the fact of your Association having determined to meet in Cincinnati is recognition of the fact that the Cincinnati grain dealers have kept this market alive and are going beyond the old record. We want that very fact to impress you with the knowledge that we are more than glad to have you with us, and I hope that I have convinced you that you are genuinely welcome.

Now, gentlemen, I want to deviate just a little more, and that is to introduce to you a gentleman whom you have met, who has encouraged you to come into this convention room. This gentleman is an ex-world war veteran. He participated in three engagements "over there." He has, as his reward, the absence of his eye sight; he is totally blind, and I

luncheon clubs. The week previous the chairman seemed to forget his duties and talked for 15 minutes so one of the men assisting me with the program said, "One thing sure, King, don't forget you are not the speaker of the day."

Personally, after these words of welcome, I realize now more than ever the degree of flattery expressed in the invitation to respond to this address, because the invitation very plainly stated, "you should be able to do this in about five minutes."

If we fail through brevity to fill your hearts, dear hosts, with that gratification to which you are entitled for all of your unselfish sacrifice of time, thought, work and expense, dedicated to and for our pleasure and enjoyment, throughout our stay, those for whom I speak will many times gladden you with evidences of their appreciation of your hospitalities.

We receive with peculiar interest and appreciation this welcome on behalf of you Cincinnatians for more than one reason. This cordial and hospitable reception you have given us we accept as the full bloom flower from the grafting of the Kentucky founders, who hailed from the Blue Grass regions, noted for their grace, charm and hospitality.

Another reason is your admirable spirit of aggressiveness. Since Christmas, 1788, when the first boat load of adventurers left what is now known as Maysfield, Ky., and after four perilous days landed at the mouth of Lickings Creek where they founded Losantiville, afterwards named Cincinnati, things have been happening.

From the Densan tract of 740 acres bought at five shillings per acre in Continental scrip, which survey embraces the principal business district of Cincinnati, to present day values up to \$10,000 per front foot—that's progress. Progress, as we know, comes from foresight, brain work and capital.

Cincinnati impresses us with its business progressiveness, its municipal accomplishments, its varied cultures and its hospitality.

Especially are we impressed with your Municipal University and its high degree of efficiency. We understand that no other American city can truthfully boast of such a city owned institution. Your Municipal Hospital, recognized as one of the best of its kind in America, and other municipal institutions are a splendid credit to your citizenship. We are aware of your gigantic business and industrial organizations with international reputation. You are to be commended upon the thought and care for the youth of the city and the health and physical development of all as evidenced by your parks, play grounds and recreational centers.

It is very evident in all respects you are keeping the faith of your fathers and throwing out a challenge to those who follow—it is in so living, in a large measure, we justify our existence both as individuals and communities.

We esteem it a privilege to be your guests and we sincerely thank you for your very cordial welcome.

To you Cincinnatians—our fellow grain and hay men, members of the Cincinnati Grain and Hay Exchange, the oldest newest organization of its kind in America, we extend especial congratulations upon your accomplishments. We rejoice with you in the progress you have made and the recognition you are receiving as a great grain and hay distributing point. Your act in 1918 of taking leave of your parent organization, the Cincinnati Chamber of Commerce, and establishing your present organization, sharing responsibilities with no one, was and is commendable. It speaks of your acknowledgement of the responsibility of service, your desire to be prepared to serve more economically and more efficiently. Indeed, we grain and hay men here assembled should ever be mindful of the responsibility resting upon us in performing well our part in the business of distributing our country's cereal and forage products. It cannot be denied that commerce is the backbone of any nation's existence. That the commerce is conducted upon a high, broad plane is the responsibility of that country's citizenship.

If we are meeting our responsibilities of handling in the most economic and efficient manner the grain and hay of this country and are really earning what our books show as profits, then I think we need not fear of being permanently supplanted. Another thing, I think we should every one frequently ask ourselves the questions, "Are the policies of my, or our, business and all the methods we employ in the conduct of same conducive to its being a credit to the grain and hay business?" Pity upon the man whose visions do not embrace the desire to make a life while making a living. We may fail miserably but nevertheless we should have the desire and strive manfully to measure up to that which is biggest and best as citizens and as grain and hay men.

Our hosts, you impress us as having the right vision; as being keen, wide awake, hard hitting, aggressive business men—big enough among yourselves and loyal enough to your beloved city to pull together. That is what caused you to want us and us to want to be with you. You have what you went after—here we are—and we hope you are just as glad to have us as we are happy to be here. I am easily persuaded that when we have returned to our respective homes as we are asked, "What kind of a time did you have?", we will be like the cowboy who gave me a night's lodging while he spent the night in attendance upon a dance some 20 miles distant, having gone the horse-back route, returning about 5:30 a. m. just in time for breakfast

and the day's work, when I asked, "How was the night?", replied with a lingering smile, "Well, I wouldn't trade my night's experience for any darn night's sleep I ever had."

The President: I feel quite sure that you will agree with me that we made a very wise choice in the selection of our representative to express our appreciation to our Cincinnati hosts.

At this time I would like to make an important announcement, and announce the standing committees, or special committees of the convention. The announcement is as follows: A special meeting of the directors at about five o'clock this afternoon, upon the adjournment of our afternoon session, to consider a matter of policy of vital concern to the organization. Let every director present here make a special memorandum of that and be sure to be on hand and also notify any directors who may not be in the meeting at this time. Unfortunately our registration is proceeding somewhat slowly, and there is about as large a crowd outside as there is inside at the present time. That meeting will be held here in this room. I cannot make it more definite as to time, as it will follow immediately after adjournment of this afternoon's session.

The Resolutions Committee will consist of: Fred G. Horner, chairman, Illinois; John S. Green, Kentucky; L. C. McMurtry, Texas; Elmer Hutchinson, Indiana; S. P. Mason, Iowa; L. F. Gates, Illinois; Geo. C. Martin, Jr., Missouri; G. E. Meech, Connecticut.

The Nominating Committee: E. C. Eikenberry, chairman, Ohio; E. M. Wayne, Illinois; A. S. MacDonald, Massachusetts; P. E. Goodrich, Indiana; J. R.



HARRY E. NIEMEYER
General Chairman of Cincinnati Committees

Murrel, Jr., Iowa; Douglass W. King, Texas; Charles D. Jones, Tennessee.

Auditing Committee: W. W. Manning, chairman, Texas; E. H. Beer, Maryland; H. W. Reimann, Indiana.

At this time I will ask Vice-president Horner to take the chair.

The Vice-President: I would just like to announce the meeting of the Resolutions Committee tonight at 7:30 in my room, No. 822. We will now have the pleasure of listening to the annual address of our president, Mr. Watkins.

PRESIDENT'S ANNUAL ADDRESS

IT IS very fitting that we should be gathered here in annual convention in this beautiful city of Cincinnati, "The Gateway to the South" and far-famed among past generations by the poet Longfellow as the "Garden City of the West." Here is approximately the geographical center of the grain industry. We are standing on the border line of the surplus producing territory of the West and Northwest and the consuming territory of the East and Southeast. In this city there has existed, through the present Grain and Hay Exchange and its predecessors, a market place for grain and its products for over 80 years past—a long and honorable record.

A Year Ago

One year ago we were viewing the continent of Europe as the prey of strife and dissension and saw it gradually drifting toward economic and social chaos. With more men under arms than at any time save at the height of the World War and with each nation regarding every other nation with suspicion and jealousy there seemed little hope of averting complete disaster, with terrible consequences for the entire world.

One year ago we were observing at home the forces

RESPONSE TO ADDRESS OF WELCOME

IT AFFORDS me great pleasure to respond to this address of welcome, on behalf of the Grain Dealers National Association, and I consider it an honor and a privilege. We have been made to feel very much at home and we are happy to be here.

I regret that I am compelled to remember at this particular time what was said to me when I was to be chairman of the day at one of the San Antonio

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of unrest and discontent pervading almost every walk of life and were noting an undercurrent of reckless abandon and an indifference to the future, amounting almost to hopelessness. This attitude was exhibited in a wasteful expenditure of the essentials of life in a manner best described by the term "jazz." Every purveyor of pernicious, unsound political and economic nostrums had a large following and radicalism seemed to be gaining ground with speed.

One year ago the grain trade was seeing in retrospect one of the leanest years in its history, a period strewn with the wrecks of long established businesses and marked by severe curtailment all along the line. The hope that the force of the readjustment following the World War had been spent and that the future held the promise of a gradual return to normal was tempered if not almost destroyed by the legislative cloud gathering over our heads as Congress was preparing to convene.

Our fears were justified by the utterances of various members of Congress who, seizing on the undeniably serious plight of the farmer (particularly in the West and Northwest) as an opportunity to further their political fortunes, were announcing proposed measures, the least harmful of which seemed to contemplate serious, even irreparable, interference with the existing method of handling the products of the farm.

The Present Outlook

Today we are viewing a Europe whose star of hope is rising as its various chancellories and peoples accept a plan, developed largely by American genius, which bids fair to stabilize economic conditions, within and among, those war weary nations.

From a humanitarian standpoint this means much to this country. From an economic standpoint it means the re-establishing of an improved foreign market for our products and, of particular interest to this body, assures the restoration, more or less speedily, of a normal export demand for grain and its products. With this broadening foreign market for our surplus, whose stabilizing influence has been functioning irregularly and erratically of late years, conditions in the trade will be noticeably improved. The farmer will benefit most largely and directly but the stimulus will be felt all along the line from the farm to the foreign consumer.

Today, we are noting among the people of this country, a tendency to settle down to work and to cultivate the more homely and conservative virtues of thrift and sobriety. In spite of sporadic incidents to the contrary, there is increasing evidence that the American people have largely regained their equilibrium and that a vociferous radical minority will expend its energy in vain in any attempt to move the nation far out of its normal course.

Today we are free from the threat of the hostile legislation which menaced our business months ago. But surely the past year has been crowded full of portentous events for the grain and allied trades. Within the last six months they have been fighting for their very existence. They have again been the object of attack, through vicious uneconomic and socialistic legislation proposed by self-seeking shortsighted politicians, supported by insincere and unprincipled agitators, impractical theorists and job-hungry bureaucrats who would abolish, for untried experimental schemes, a system of marketing built up through several generations to a degree of perfection unequalled in the handling of other commodities of equal magnitude.

Legislation

But six short months ago the McNary-Haugen Bill if put to vote would have passed the Congress, with probably sufficient votes to over-ride a presidential veto. To the grain trade goes much of the credit for checking, at least temporarily, this socialistic attack on American business. The untiring efforts of the representatives of the grain trade, ably supported by the milling and feed trades, who first appeared in February last in opposition to this legislative monstrosity, aroused those engaged in other lines of business to a realization that, if the grain, feed and milling lines were to be socialized, their particular industries might be next in order for similar exploitation. Opposition, developing slowly at first, but with increasing momentum, finally rolled up like a tidal wave over the entire country and from every source including innumerable agriculturists and their organizations and in the closing days of the session, this iniquitous measure was defeated by a goodly margin.

The complete story of the brilliant and successful campaign to defeat this bill, against odds which at first appeared well nigh insurmountable, will probably never be written, but that it is one of the brightest passages in the history of the grain trade in the present generation cannot be questioned. To the men who, without counting the cost, gave of their time and energy unselfishly and unceasingly in this work, too much credit cannot be given, not alone by grain dealers but by those engaged in all other lines of American industry, as well.

Other measures for agrarian relief attracting less attention on the part of the general public were brushed aside in the closing days of the session. Many of these measures, such as the Curtis-Aswell and Capper-Williams bills were also designed to replace or parallel the existing system of grain marketing on the assumption that the latter had ceased to

function economically, and that some method bolstered up with Government flat or funds must take its place.

The theory, which underlies many of these measures is that somewhere within the present system are concealed tremendous profits which can be captured for the producer by some type of co-operative effort. That this is pure and unadulterated bunkum is known through actual experience by those who are already engaged in co-operative enterprises, such as local elevators at country stations, and in various organizations in many terminal markets but the politicians have not had the benefit of this experience and the professional agitators would not be influenced by such experience if they had undergone it.

What may we expect from the next session of Congress? That it will be as radical in complexion as the last is reasonably certain. That it will have the same incentive to cater to the agricultural vote is a foregone conclusion, but that the farmer will be so prone to listen to the siren voices of his self-appointed champions is not so evident at this time. The action of nature, beneficent or otherwise, which has produced an involuntary reduction in the world supply of cereals has enhanced the prices of farm produce to a point where the farmer begins to feel reasonably prosperous again and to lose interest in political panaceas which have never seemed to cure anything but rather to make matters worse.

The farmers who were caught by the specious arguments of the framers and proponents of the McNary-

of note. Our transportation system is being steadily rehabilitated in spite of the threatened and apparently imminent interference with the program of the railroads on the part of the more or less radical elements within and without Congress.

During this present temporary respite and cessation of attacks which will undoubtedly be renewed in the next session of Congress, valuable time is granted the railroads and their friends and supporters within the business community to get the main question before the American people. This paramount issue is the establishment of a national transportation policy worthy of the name and commensurate with the primary importance of this great basic industry to a continuing prosperity in this country. Who, more than the grain dealer, the existence of whose business rests upon stabilized efficient transportation, should concern himself with this problem? This organization should stand for a further trial of recent remedial regulation, a "hands off" policy in reference to radical modification of existing legislation. It should offer firm resistance to all moves toward nationalization of the roads, towards interference by Congress and politicians in general with the Interstate Commerce Commission and voice insistence that the latter body and all other bodies supervising the transportation industry be composed of unbiased, able and conscientious men.

Telegraph and Telephone

Without going into details of the work of your Transportation Committee during the past year, as these will be covered fully in its report, I would emphasize at this point the splendid accomplishment obtained under its direction and with the hearty co-operation of large numbers of our members, in the elimination of the tax on telephone and telegraph tolls. Without doubt the full credit for organizing and pressing this matter through to a successful conclusion goes to our organization and it was only by dint of some heroic eleventh hour endeavor that our efforts were crowned with victory. While the grain trade will benefit largely by the relief from this tax, unjustifiable in time of peace, every user of the telephone and every sender of a telegram in this broad land of ours is indebted to the efforts of this organization in their behalf.

With the elimination of the tax on tolls, there is evidence here and there of a disposition on the part of the telephone and telegraph companies to increase their rates. This organization should be prepared to resist all unwarranted upward revisions. In fact it should go further and in conjunction with organizations representing other industries, study carefully the present structure of rates with the possibility of a lower schedule in mind.

No reduction in the rates as advanced during the war period has been obtained, although the cost to the companies of doing business, with the possible exception of labor, have been materially lowered since the wartime peak. Our position should be that of the lowest cost commensurate with good service and fair returns on invested capital. Conferences held by your Transportation Committee with the telephone and telegraph companies have very naturally disclosed stiff resistance to any voluntary reduction in rates. This is not a matter which can be undertaken in any half hearted manner and we should be prepared to follow through, if preliminary investigations justify this course.

Taxation

Despite the reluctant action of Congress in passing a tax reduction measure, one of the chief issues before American business today is a scientific downward revision of taxation—Federal, state and local. Governmental extravagance is still rampant and is not confined to our national expenditures but is found even to a greater degree within many of our state and municipalities. About 75 per cent of our heavy tax burden does not accrue to the national Government but to our local and state treasuries.

At least 12 per cent of the nation's income is now going for taxes. No more vital question is before us as citizens, for if present tendencies continue, taxes will within a comparatively few years confiscate an insuperable portion of the nation's income. Since 1913 the tax bill of the farmer has been practically tripled. No more sound common sense form of relief for agriculture, as well as other industries, could be suggested than a sharp reduction in its tax bills.

Only one other country has suffered a greater increase in taxation since pre-war years than the United States. Based on the 1913 dollar, England's tax has increased 217 per cent. The United States 204 per cent. Compare these figures with France and Italy sustaining increases of only 45 per cent and 9 per cent respectively. This is not a partisan question but an economic one. But it is approaching the point where it is becoming a moral question as well, for the faith of our citizens in our Government is being affected by the increasing burden. The problem is further confused by a diversity of views as to the purposes of taxation. Is it merely to procure necessary Governmental revenue or is it an instrument for the redistribution of wealth, for the penalizing of large fortunes, and for furthering an expansive social philosophy? There is great need of public instruction on this vital question. I quote from a recent



RETIRING-PRESIDENT FRED E. WATKINS

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report of the National Industrial Conference on this subject.

"So long as the general masses of our population continue to delude themselves into the belief that they are not contributing personally to the support of their Government, but are on the other hand deriving free and valuable benefits from its activities, we shall continue to experience increasing economic distress from these accumulating burdens."

Let us not, because of great familiarity, minimize or disregard that truism "the power to tax is the power to destroy."

The election of representatives pledged to a program of governmental economy and avoidance of waste is the only practical solution of this problem. If we do not meet this issue squarely and soon, the coming generations will be burdened with a debt under which they will be unable to eke out other than a barren and scanty existence and revolution and disaster may overtake this great nation as a result of our dereliction.

The Budget

To any student of government, the possibility of abandoning or nullifying the budget system as inaugurated under the supervision of General Dawes, and so ably carried on under his successor, General Lord, would seem the height of folly. Nevertheless, the Budget Act passed by a very reluctant Congress is today in grave danger. Unless the people rally valiantly to its support, their duly elected representatives are ready to find ways and means to circumvent, if not destroy, this check on wasteful expenditures and return to the old pork-barrel days and ways.

The benefits are so apparent in this common sense efficient method of balancing our national receipts and disbursements that not the slightest doubt should be left in the minds of our legislators that it is not to be interfered with but rather broadened and strengthened.

This organization should by proper resolution reiterate its faith in the approval of our National

ment is merely the accumulated power of its individual citizens who can advance their own business much more effectively, for the good of themselves and the community, directly, than through the channels of government.

Government can foster and encourage the activities of its citizens to the end that prosperity is more widely disseminated by permitting the development of individual initiative within the limits where it does not encroach upon the rights of fellow citizens. This great country of ours has been developed on this principle, and it is unthinkable that this nation could wilfully and deliberately renounce the abandon this fundamental cause of its great prosperity and of its high place among the nations of the world.

Too Many Laws

The best evidence that we have too many laws on our statute books is the very apparent growing disregard for all law and the noticeable decline in the standards of justice within our courts. But can this lawless tendency be surprising when our national and state legislatures pour forth enactments so fast that officials, judges and lawyers are literally buried under an avalanche of them.

William Allen White has written, "This habit of getting almost religious consolation out of the mere passage of laws is beginning to tell upon the people addicted to parliamentary government. The world is beginning to question the efficiency of parliaments and congresses."

There is still much food for thought in that deliberate and mature conclusion of the great English historian, Buekle, who said years ago in his "History of Civilization," "For 500 years all advance in legislation has been made by repealing laws."

Today in this country we need not more laws but the repeal of many of those now on our statute books which have been clearly proven by time and experience to be economic blunders.

Radicalism

Under the disturbed conditions during and since the war, resulting in an increasing restlessness among

seem to have few Senators today who dare brave the demand of noisy minorities for legislation in behalf of this or that class or group.

What this country needs more than any other one thing today, is men, in public life that can think straight, who can arrive at conclusions based on knowledge and intelligence. Men who will neither be swept away by the specious empty argument of the Bolshevik or halted by the barriers erected by the reactionary in his selfishness and slavery to precedent. The duty rests squarely on us as citizens to support such men for public office. As long as less than 50 per cent of the electorate vote at important elections so long will the demagogue, the radical, the Bolshevik be able to make his influence increasingly felt in our Government.

Grain Grades

On August 15 last, certain modifications in the grades of various grains as established under the Grain Standards Act became effective. There have not been sufficient experiences developed to date to gauge fully the reaction of the trade to these changes. The tendency under the Grain Standards Act is toward great refinement of the grades, particularly of wheat. What with the protein test and the above mentioned tendency toward elaboration of grades, scarcely required in commercial handling of wheat, the movement of this cereal through the terminal markets is delayed materially, by being subject to laboratory methods, and confusion and losses at country points of origin are inevitable.

A movement, originating with the exchanges but of even more interest to the country shipper and the producer, looks toward the elimination of the class of Yellow Hard wheat. This step toward simplification of the grades merits your attention and appropriate action at this session.

Treating Oats

In 1915 the Association took a prominent part in securing consideration of the process of oats bleaching to the end that a tolerance as to moisture was established and recognized by the Bureau of Chem-



ELMER HEILE
Chairman of the Finance Committee



A. N. BRAUN
Chairman of the Ladies' Entertainment Committee



RALPH H. BROWN
Chairman of the Publicity Committee



WILLIAM B. RILEY
Chairman of the Entertainment Committee



D. W. HOPKINS
Chairman of the Hotel Committee

Budget System, praise its accomplishments to date, and recommend the adoption of a similar system by state and lesser divisions of our body politic, that extravagance and waste of public funds may be everywhere checked.

Bureaucracy

The establishment of bureaus and commissions to replace, supervise, or interfere with business, corporate or individual, is still a favorite theme for legislative action, state and national, and is a large factor in the increasing cost of government. A sweeping reorganization of national executive departments is contemplated and a splendid opportunity would thus be presented to do away with many unnecessary bureaus and commissions and free business from its unjustifiable shackles and all taxpayers from a needless and futile burden. This Association has twice gone on record as favoring the abolishing of the Federal Trade Commission and in that connection it would appear consistent to support the Johnson Bill (H.R. 716) or some similar measure which will doubtless be presented in the next session of Congress, looking toward the incorporating of the work of that body within the Department of Commerce.

Although the Congress did not in the last session set any record for the number of laws passed, the possibilities under the numerous measures offered for enactment were not a whit behind those of previous Congresses.

An analysis of these proposed laws illustrates the apparent theory of government entertained by most of our modern politicians that a law will cure any and every ill, real or imaginary, about which their constituents complain. The majority of these measures presume to deal with the control of business, the attempted setting aside of economic law, and the substitution of government functions for private and individual initiative. It is or should be patent that Government holds no brief to conduct all kinds of business, nor in fact has any special aptitude in carrying on industrial projects and that the Govern-

our citizens, the political demagogue and professional agitator has had an unusual opportunity to further his own selfish ends and he has not been slow to take advantage of it. Whether this phase of our national life will be less pronounced as time goes on is indeed problematical. That it is not the concomitant of this age and generation alone, is evident from a portion of an address delivered by Daniel Webster in the Senate on March 12, 1838, that is, slightly over 86 years ago. He said:

Mr. President, such is the state of things actually existing in this country, of which I have now given you an example, and yet there are persons who constantly clamor against this state of things. They call it aristocracy; they excite the poor to make war upon the rich, while in truth they know not who are either rich or poor. They complain of oppression, speculation and the pernicious influence of accumulated wealth. They cry out loudly against all banks and corporations, all the means by which small capitals become united in order to produce important and beneficial results. They carry on a mad hostility against all established institutions. They would choke up the fountains of industry and dry all its streams. In a country of unbounded liberty they clamor against oppression. In a country of perfect equality they would move heaven and earth against privilege and monopoly. In a country where property is more equally divided than anywhere else, they rend the air with the shouting of agrarian doctrines. In a country where the wages of labor are high beyond all parallel and where lands are cheap and the means of living reasonable, they would teach the laborer that he is but an oppressed slave.

Sir, what can such men want? What do they mean? They can mean nothing but disturbance and disorder, the diffusion of corrupt principles and the destruction of the moral sentiments and the moral habits of society. A licentiousness of feeling and actions is sometimes produced by prosperity itself.

Men cannot always resist the temptation to which they are exposed by the very abundance of the bounties of Providence and the very happiness of their condition, as the steed full at the pasture will sometimes throw himself against the enclosure, break away from its confinement, and, feeling now freed of all needless restraint, betake himself to the moors and barrens where want ere long brings him to his senses and starvation and death close his career.

One might think that this address of the silver-tongued statesman of another generation had been delivered last March in Washington, save that we

industry in their administration of the Pure Food and Drug Act. As you are aware this tolerance has been withdrawn by the Bureau of Chemistry under date of July 10 of this year. A thorough investigation of all the conditions surrounding this matter, might properly be instituted by this organization, looking toward the freeing from burdensome and unwarranted restrictions this necessary process in the handling of oats and other cereals, a process almost indispensable in years of unfavorable weather conditions such as the present one.

Trade Rules

The work of your standing committees has proceeded in the usual orderly and efficient manner. The replies to inquiries on grain and grain products rules have been admirably handled through the columns of *Who Is Who in The Grain Trade* by C. D. Sturtevant and C. E. Dreyer.

Arbitration

Your Arbitration Committee have been busy but not so hard pressed as in the two or three previous years. In other words, your self-sacrificing and indefatigable arbitrators have met with a more normal demand on their time and thought indicating that the strain of the situation developed in post war years has lessened. It is notable that commercial arbitration is gaining in popularity in many lines of trade, national and international, to the great saving of time, nervous energy and money to the litigants. This Association can well be proud of its long and successful record in this field. Its existence is justified on this ground alone if there were no other achievements to be mentioned. Your attention is again directed to the prevailing cause of disagreements namely the absence of, or incompleteness of, a written confirmation of a trade. The use of the Uniform Confirmation adopted by this Association is suggested and earnestly recommended to anyone who is trying to transact a grain business without the aid of such an important instrument.

The Secretary of Agriculture called a conference on February 8 and 9 last, for the consideration of

improvements in the Government crop reporting service, which conference will be covered in the report of G. E. Blewitt, chairman of your Crop Reporting Committee.

Close co-operation with the Agricultural Department in the procuring and disseminating of more accurate information on crop conditions is a very legitimate field for service to the trade on the part of this Association. Here is suggested that well known largest room in the world—"The Room for Improvement."

Membership

The Booster Campaign of the past year was brought to a successful conclusion. One affiliated organization, the United States Feed Distributors Association whose application was presented at the Des Moines Convention, was added during the year. This increases our family of affiliated bodies to 13 in number.

There is evidence that many individuals and firms who found it necessary to resign their membership under the stress of circumstances during the past years are again entering our ranks as conditions in the trade improve and in consequence our membership list will begin to mount up steadily, with the active support and co-operation of the members now on the rolls.

Personal

I wish to take this opportunity to express my appreciation of the loyal and willing service rendered to the Association during the past year by the various officers, directors and committeemen, who have served with me. With such enthusiastic and able co-operation the Association cannot fail in its obligations for high service to the grain trade.

Special mention is due A. E. Reynolds for his labors in the legislative field. It has been a strenuous year and crowned with success. The report of the Committee on Transportation will indicate to you the amount of time and thought which H. L. Goemann as chairman has spent in behalf of the members of this Association. Much credit is due him for his splendid work in connection with the abolition of the tax on telegraph and telephone tolls.

During the two years in which I have had the honor of serving as your president, I have been closely associated with Secretary Quinn. I have seen him under all the conditions which surround the office of the secretary of a great national organization such as this.

He is indefatigable in laboring for your interests. With him the Association comes first. His qualifications for his office are too well known to you to need detailed mention. Personally it has been a pleasure to work with him.

As the time approaches when I shall lay down the duties of your chief executive officer I find myself weighing and appraising the accomplishments of this organization throughout its 28 years of existence and striving to peer into the future to estimate the labors in behalf of the grain trade which it will be called upon to perform. Without the least misgiving as to its continued success in its field of endeavor, I can see it steadily advancing to greater heights of usefulness and becoming more and more indispensable to the trade in grain and its products as the one national body in which all of the interests of these allied lines can be merged without prejudice to each other.

The high plane on which its work is conducted does and will continue to command the loyal support of every grain and feed dealer in the country and especially will this be true so long as the object announced in the preamble of its Constitution, namely, "the advancement and protection of the common interests of those engaged" in these lines of business, shall continue to be its guiding star.

The Vice-President: I know that I express the feeling of this Association in extending to President Watkins our thanks and appreciation for his peculiarly illuminating address. (President Watkins resumes the Chair.)

The President: You will have the pleasure at this time of hearing the report of our secretary-treasurer, Mr. Quinn.

Secretary Quinn: Last year I think I made my report too long. There was some criticism on the part of some of the members that I had gone rather into too great detail, and they said they thought my report would be better received if I would curtail it a little, and taking advantage of that situation I have cut it much shorter than it was last year.

ANNUAL REPORT OF SECRETARY QUINN

THIS is the eleventh annual report that has been presented to the Association by your secretary. The past convention year has been the most active one, from a legislative standpoint, in the history of the Association. It proved to be the culmination of an agrarian agitation extending over a period of more than 20 years, and was interrupted only by the World War when there was a cessation for about four years.

Since 1920 the grain trade has occupied an untenable position. It has been harassed, maligned and misrepresented until the average citizen has come to believe that there is justification for the enactment of Federal legislation that would not only circum-

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scribe its operations but practically destroy it. For a decade preceding the outbreak of the war Congress was asked at every session to pass legislation abolishing future trading. One year there were 69 such bills offered by representatives from various sections of the country. This fact is presented to show that the commotion over the McNary-Haugen bill was but the fruition of a series of agitations covering a period of years.

In the last session of Congress 47 bills affecting the grain trade were introduced in the House and 24 in the Senate. In addition to these there were three House joint resolutions, one House concurrent resolution and two Senate resolutions, all of which demanded "investigations" in one form or another of some feature of the trade. As the session that adjourned on May 7 is but the first session of the Sixty-eighth Congress, all of the bills are alive and may be brought up in the second session which begins in December.

Three of the bills now pending in Congress would abolish future trading, nine of them are marketing bills, 12 would amend various features of the Transportation Act, four would increase the duty on imported grain, six are intended to amend the Farm Loan Act, five seek to create a "stabilizing" commission, so that the prices of farm products may be kept on an artificial level, one aims to establish standards for weights and measures, one would amend the Grain Standards' Act, two would have the Federal Government build warehouses throughout the country for the storage of agricultural products, especially grain, two seek reduction in freight rates on agricultural products. The others are miscellaneous in character.

All of these bills have been under the scrutiny of the Legislation Committee of the Association. They have been studied and their provisions analyzed. A.



SECRETARY CHARLES QUINN

E. Reynolds, the able chairman of your Legislative Committee, will discuss these bills in his annual report to the convention. He will, of course, also refer at length to the fight over the McNary-Haugen bill which was unquestionably the hardest fought legislative battle the Association and the grain exchanges have been called upon to wage in Washington.

It became necessary in this fight to canvass practically every member of Congress because the Farm Bureau Federation and the other farm organizations had inundated congressmen and senators with propaganda. In addition they had a corps of active workers at the capital soliciting the votes of the Federal lawmakers. To counteract this the grain interests were obliged in their own defense to establish a temporary headquarters in Washington and to make personal canvasses of the congressmen and senators.

Shortly after the first session of the Sixty-eighth Congress convened last December the Association undertook to attain two legislative objectives—the defeat of the McNary-Haugen bill and the elimination from the revenue bill of the tax on telephone and telegraph charges. Both objectives were reached but only after the greatest efforts on the part of your Washington representatives.

One of the most disquieting facts in connection with legislative work is the increasing necessity of establishing permanent offices in Washington to protect trade interests from the daily attacks of demagogues representing organized minorities. If lobbying in Washington is on the increase it has been caused by these minorities. It has been said that there are no fewer than 500 organized minorities with offices or lobbyists in Washington. Richard Washburn Child, in a recent article in a national weekly, under the caption "Government by Blackmail," says:

Washington wriggles with the efforts to worm something out of Congress, out of the President, or out of the treasury. In the old days the lobbyists wore no cloaks of hypocrisy, sang no psalm tunes over their

special interests, and failed often enough to get what they wanted, even when backed by predatory wealth. Now the self-seeking representatives of self-seeking minorities walk around claiming the agency for virtue, charity, goodness, mercy, piety, religion, brotherhood of man and enlightenment. They apply to every senator and congressman who can be intimidated a barrage of propaganda and threats of defeat. It is pure blackmail.

Any one of us who wishes to be intelligent about this descent on Washington, of organized minorities, can go down to the Capitol and pick out two kinds of organized minorities. The first maintain their lobbies more or less frankly to get something. The second maintain their lobbies more or less frankly to force upon us through Government agency some form of moral, sentimental or crankish tyranny over our free will and to wipe out our right of moral self-direction and self-development. The first want to own the taxpayers' dollars; the second want to put in their own cages his conscience and his soul. Both of them are trying to raid the Government for special privilege more than their predecessors, the lobbies of big business, ever raided it.

Mr. Child has in these two quoted paragraphs put his finger on the sore spot in American politics. He has pointed out a situation that must be remedied if this country is not to go the way of Italy and some of the other European nations that have suspended parliamentary Government in favor of dictatorships. The farm bloc is one of the many organized minorities in Congress. To get what it wanted it raised the cry of "orderly marketing," a cry that has appealed to the unthinking masses who know nothing about the slow and natural evolution of grain distribution in this country. With this demand for "orderly marketing" through co-operation there grew like mushrooms schemes to pool grain and hold it for higher prices.

And then there were added to the farm bloc minority in Congress representatives from some of the "Wheat Pools." They had been holding grain at a loss to their members and to recoup these losses they promoted the McNary-Haugen bill, one of the most unsound pieces of legislation ever presented to Congress. With the aid of the Farm Bureau Federation they descended upon Washington and for a time it appeared as though they would force the Federal lawmakers to embark upon this socialistic scheme.

What was the weapon they used to compel congressmen to vote for the McNary-Haugen bill? Defeat at the polls in the coming election. It was blackmail, of the exact nature pointed out by Mr. Child. There was no attempt made to convince the lawmakers that the proposed legislation was sound. Indeed the proponents of the bill frankly admitted its economic weaknesses but they lobbied to force it down the country's throat on the plea that "something must be done for the farmer" and that "if you do not vote for it you need not seek re-election in your district."

Events since the McNary-Haugen bill was defeated have completely confounded the advocates of the measure. The terrible fate that was to overtake the farmers should the bill not pass has not been realized. Indeed a situation arose soon after the adjournment of Congress that completely vindicated the position taken by the Association and the grain exchanges, whose representatives held all along that the farmers' troubles could not be remedied by legislation. They had asserted that economic laws alone would bring the farmer back to his natural position and restore his purchasing power. And that is just what has happened. It is only too trite to say that Congress cannot suspend the law of supply and demand. Co-operation cannot take the place of the present system of grain distribution without a loss to the producer, because nothing can replace private initiative and private competitive enterprise.

Knowing this as we do, one is led to ask the question: "How far is the agitation to destroy the grain middleman going before it becomes manifest to every farmer that he is being led astray? Time alone can answer this question. It all depends upon what the economic situation is next year and the year after. The future is, of course, in the lap of the gods. If Canada and the other countries that send large surpluses into the world markets produce bumper crops in 1925 the grain dealers may look for a renewal of the agitation within and without Congress.

The distress of the farmer is the opportunity of the economic quack. He has been plying his trade for so long that he has the ground prepared and ready for his seed. In the United States Senate there are about 25 members who have aided in the propaganda to destroy the present system of grain distribution to make way for co-operation. These 25 members compose the Senate farm bloc. They are supported by the bureaucrats in the Department of Agriculture and all of their attacks upon the grain trade dovetail, whether they be "investigations" by Senate resolution or schemes like the McNary-Haugen bill which would have the Government establish "ratio" prices on practically all farm products.

That scheme is in harmony with the propaganda to reduce acreage until there will be little if any surplus to export. Then come the Wheat Pools and Government credit to finance them. Finally there is the constant attack on the Chicago Board of Trade, designed to destroy future trading altogether so that the domestic price of grain will bear no relation whatever to the world price. When all of this is accomplished the farm politicians think they can bring prosperity to the wheat producers by pooling

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all the grain and making the American consumer pay whatever price they demand.

To reach this goal Congress must "investigate" at every opportunity until the public will get the idea that there is "something rotten in Denmark," and that co-operation is the only solution of the farmers' problems. What does it matter if no reports of the "investigations" are made to Congress? The people forget to ask for reports but they remember from the big headlines in the press that there were many "investigations" and "probes." In that way their minds are gradually poisoned.

There were 64 "investigations" going on in the United States Senate in 1922 but not more than five or six of them resulted in reports that reached the public. But great mischief was done to business nevertheless. Suspicion was created and the seeds of envy, malice and mistrust were sown.

These are the things that are undermining democracy in the United States. The activities of well organized and energetic minorities are gradually subverting the American form of Government from a Government of all the people into a Government of classes. Should the elections this fall place the third party in position to dominate legislation the position of the grain trade will be worse in the next Congress than it has ever been.

In such an event it is more than likely that an attempt will be made to enact into law some such measure as the Curtis bill or the Williams bill, in both of which millions of dollars would be appro-

toward the decision of the Interstate Commerce Commission in Docket 14903. In this decision the Commission held that it is not empowered to prescribe rules and regulations for the settlement of claims arising from loss or damage to property in transit. The Commission says that the measure of damages can be settled only in the courts.

Merchants and shippers in Jacksonville, Fla., were the complainants in Docket 14903. They alleged that the carriers had failed and neglected to establish just and reasonable regulations for the uniform settlement of loss and damage claims arising out of the handling, transportation and non-delivery of property and were guilty of practicing unjust and unreasonable regulations in their claim departments, in violation of Paragraph 6 of Section 1 of the Interstate Commerce Act. The Commission was asked to establish reasonable regulations for the settlement of loss and damage claims. The railroads raised the point of no jurisdiction and the Commission upheld them.

Mr. Goemann will explain what effect this decision will have on Docket 9009, claims for loss and damage of grain in transit. If the Commission has no legal authority to prescribe rules and regulations for the settlement of loss and damage claims it would appear that the long fight to compel the carriers to accept uniform rules is not by any means near the end.

Another important court decision rendered since the last convention was made by the Circuit Court

case, first before the Interstate Commerce Commission and then probably in the Federal courts with a final decision in the United States Supreme Court, costs much money. The Association is willing to undertake this work provided sufficient financial assistance is given by other organizations which are as vitally interested as is the National Association. Legal battles in the courts are expensive. The Association is more than willing to contribute its share in money and labor toward satisfying the demand for reduced telephone rates, but it is not willing to go beyond this. And no one should expect it. All classes of industry are interested in reduced rates and it is too much to expect that the grain dealers alone should bear the burden of fighting the general public's battles.

It is all very well to have a reputation for "aggressiveness" and "initiative" provided you do not get into water that is too deep and thus dissipate your surplus, which is badly needed for legislative and other emergencies. An eye must be kept on the funds of the Association. These funds must be conserved and used for the purposes for which they were collected.

Mr. Goemann will explain our efforts to obtain financial support from other organizations and the meagre results secured. It may be said in passing that many of the organizations approached were profuse in their praise for our efforts to reduce the telephone rates but they became strangely silent when they were directly asked if they would contri-



DIRECTORS OF THE GRAIN DEALERS NATIONAL ASSOCIATION, 1923-1924

priated out of the Federal treasury to finance the organization of co-operative companies. If the taxpayers' money can be used for such purposes who can predict the end of such legislation?

The grain men of the country are today bearing the brunt of the fight against state socialism, because at the present time they are the direct objects of attack. But tomorrow it will be some other business. It was to bring home to you the essential unity of all business that Henry Swift Ives was asked to address this convention. Not until the business interests of the nation as a whole awaken to the real nature and seriousness of the attacks made constantly upon private enterprise by the advocates of socialism will the proper opposition be presented to our enemies.

Transportation

There has been the usual activity in transportation matters during the last year. Henry L. Goemann, chairman of the Committee, has labored conscientiously in your interests. In his report to the convention he will go into detail and explain what he is doing with reference to a new rule covering diversion and reconsignment on carload traffic. The rule became effective on May 15 in New England. Trunk Line and Central Freight Association territories. The rule provides that on "Order Notify" shipments the original order bill of lading must be surrendered to the carrier's representative within 24 hours after the first 7 a. m. after notice of the arrival of the car is sent or given, or there will be a penalty of \$6.30 a car. There have been many complaints about this new rule and Mr. Goemann will explain what he purposes to do to overcome the objections.

The attention of the members will also be directed

of Appeals for the northern district of Ohio, eastern division, in the case of James C. Davis, Director-General of Railroads, versus the Akron Feed & Milling Company. The Court held that if an ultimate consignee inquires of the carrier with which he is doing business about the charges of carriers handling the shipment from point of origin to the first billed destination, and he is told that they have been paid, the carrier making the final delivery cannot collect the unpaid advance charges, because the consignee, in a case of that kind, has not equal means with the railroad company of acquiring knowledge that the advance charges have not been paid.

This decision vitiates the rule that freight charges must in all cases be paid in accordance with the published rate. The Erie railroad lost the case against the Akron Feed & Milling Company, and paid the claim rather than carry the matter to the United States Supreme Court.

Telephone and Telegraph Service

Mr. Goemann, in his report as chairman of the Transportation Committee, will discuss a number of questions connected with the telephone and telegraph service given to members by the wire companies. He will tell about the demand that comes from various quarters for a reduction in telephone rates and he will have something to say about the legal responsibility of the companies for mistakes and delays in the transmission of messages. With reference to the agitation for a reduction in telephone rates it cannot be too plainly stated that the Association is in favor of reduced rates if it can be shown, after a thorough investigation, that they are too high, the cost of labor, material and taxes considered.

To get the necessary information and prosecute a

bute their share toward the expense of fighting the case to the court of last resort.

A bill introduced in the last session of Congress by Representative O'Connor, of New York City, is designed to secure a Congressional investigation of the whole subject of telephone rates and charges. It may be advisable for the Grain Dealers National Association to direct its energies toward securing the passage of this bill, rather than to take the initiative in a campaign against the wire companies. A Congressional investigation would develop the same facts as would the aforesaid campaign by this Association.

Trade Rules

There will be presented to this convention a number of amendments to the trade rules. C. D. Sturtevant, chairman of the Trade Rules Committee, has received from the members at various times during the year these proposed changes and he will submit them to you this afternoon for such action as you may care to take. He will again ask you to consider the changes to Rules 6 and 7, which he offered at the Des Moines meeting but which the convention did not adopt. Rule No. 6 concerns billing instructions and Rule No. 7 relates to incomplete shipments.

All the proposed changes to the trade rules have been printed on separate sheets of paper and will be distributed at this afternoon's meeting so that all members present may know just what the amendments embody.

Your secretary wishes to draw to the attention of the members the splendid work done during the last year by Chairman Sturtevant. His answers to trade rule inquiries, published in *Who Is Who in the Grain Trade*, are highly instructive and have become one

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of the leading features of the little magazine. There is no doubt that these answers have prevented the filing of a number of arbitration cases.

During the year Charles D. Jones, of Nashville, Tenn., former president of the Association, drew the attention of the members of the Association to a growing practice among terminal market dealers to ignore the trade rules of this Association in favor of their own market rules in interstate shipments of grain. Mr. Jones pointed out that many terminal market dealers are insisting that their own rules govern in all transactions. When a dealer in a market like, say Nashville, buys grain in the North he is subject not only to the weights and grades of the market from which the grain comes but also to the "rules and regulations" of that market. Most receiving markets like Nashville may be reached by a number of shipping markets and as no two of these shipping markets have the same rules, something like chaos results.

No receiver of grain knows the "rules and regulations" of the various shipping markets and he has neither the time nor the inclination to study them all. And if he had the time he would probably fail to keep abreast of the various changes that are being constantly made to them.

The trade rules of the Grain Dealers National Association were formulated to take care of just such a situation. The idea of the framers of these rules was to provide regulations that would be fair to both the buyer and the seller and be used generally in interstate trading. The rules are made, amended and revised by the entire membership in annual convention. They are an expression of the opinions of the trade in general. They were made to protect neither the buyer nor the seller but to be equitable to both.

Mr. Jones says that when he complained to some shippers about the one-sided nature of their confirmations they replied that they were not permitted to make contracts except in accordance with the terms of their local boards of trade. Mr. Jones has brought an important and timely matter to the attention of the Association and it should be discussed fully in this convention. If members of the grain exchanges will not make contracts except on their own terms, subjecting the buyer to an interminable list of "rules and regulations" about which he knows nothing, all



DELEGATES FROM NATIONAL HAY ASSOCIATION
S. L. Rice and W. H. Toberman

of the work of the Association to unify the trade rules and make interstate trading as free as possible from friction will have been in vain.

Arbitration

A detailed statement of the work of the seven arbitration committees and the Arbitration Appeals Committee follows:

Number of cases at the beginning of the convention year 44
Number of new cases filed during the year 75

Total 119
Number of arbitration decisions during the year 37
Cases withdrawn 5
Cases settled direct 24
Cases dismissed 19
Expulsions for refusing to arbitrate or for refusing to pay arbitration awards 4
Cases pending 30 119

Appeal cases pending at the beginning of the convention year 3
Cases appealed during the year 12 15

Appeals decided during the year 6
Appeal cases withdrawn 4
Appeal cases pending 5 15

The number of arbitration cases continues to decline. During the last convention year there were but 75 cases filed as compared with 81 for the previous 12 months, 110 in 1922, and 157 in 1921.

It is gratifying to see that as the grain trade set-

ties back into its normal state the number of trade disputes becomes less.

The directors of the Association were obliged to expel four members during the year for refusal to arbitrate or for refusal to pay arbitration awards. The expulsions are likewise decreasing in number. In 1923 six members were expelled. In 1922 the number was 18 and in 1921 there were 23 expulsions. The great number of expulsions in 1921 and 1922 was due to the deflation in grain prices. Many members were financially embarrassed and unable to pay arbitration awards. The four members expelled this year were: Hogan Brothers, Kansas City, Mo.; H. S. Allen & Co., Pittsburgh, Pa.; James Sigler & Co.,



NEW DIRECTORS OF THE ASSOCIATION

J. R. MURREL
Cedar Rapids, Iowa

GEO. E. BOOTH
Chicago, Ill.

E. C. DREYER
St. Louis, Mo.

Dallas, Texas, and Harrison, Ward & Co., Peoria, Ill.

The Association owes the members of the arbitration and appeals committees a heavy debt of gratitude for their unselfish labors. The work they do is not spectacular. It does not attract attention, but it is of vital importance to the success of the organization. They are the strong, silent pillars that hold up the Association structure. They receive little but criticism for their efforts. The successful litigants accept their work as a matter of course while the unsuccessful ones usually have nothing but censure for their decisions. While this may be very human it is nevertheless anything but gratifying to these hard working, conscientious men. Your secretary, therefore, desires to pay a little tribute of praise to the arbitrators because he knows the value of the work they do.

Membership

The following is a complete statement of the membership of the Association, direct, affiliated and associate:

Direct and Associate	
Number of direct and associate members reported at last convention	1,374
Direct and associate members secured since last convention	147
Total	1,521
Direct and associate members in good standing Sept. 20, 1924	1,179
Number of delinquents	79 1,258
Direct and associate members lost during the year from the following causes:	
Resignations	148
Gone out of business	75
Dropped for non-payment of dues	36
Expelled	4 263
Total	1,521
Net decrease in direct and associate members during the year	116
Affiliated Members	
Affiliated members reported at last convention	2,659
Affiliated members on September 20, 1924	2,857
Increase	198
Direct, Associate and Affiliated	
Total number of direct, associate and affiliated members reported at the last convention	4,033
Total number of direct, associate and affiliated members on September 20, 1924	4,115
Increase	82

The figures in the above tabulation show that there was a decrease in membership during the year of 116. In 1923 there was a net loss of 209 and in 1922 the net loss was 354.

It is pleasing to record that the net loss each year since the deflation in 1920 has greatly decreased. It is hoped that in 1925 this loss will be overcome and from then on the Association will start up the hill toward the point it reached in 1920 when there were 2,000 direct and associate members.

It is not necessary for your secretary to expatiate upon the causes that brought about the decrease in membership. Everyone knows what took place in the grain trade in 1921, 1922, 1923 and the first six months of 1924. The grain business went through one of the worst depressions in its history. Many members failed and many more, despairing of ever again seeing prosperity, retired from the trade and went into other lines. There were many consolidations by which the Association obtained but one member where before there were two.

It was inevitable that there should be a heavy decrease in membership in the last four years. Practically all trade organizations, with the exception of the automobile industry, suffered severe setbacks and lost many of their members. In view of what happened to the grain business it is surprising that the loss was not greater. The Association secured 147 new members during the year. This was an excel-

lent record when it is remembered that the booster campaign was prosecuted before the revival of business in the trade. Had this revival come six months earlier the showing would have been much better.

At this afternoon's session of the convention, President Watkins will present the booster prizes to the four members who secured the largest number of applications. These four prize winners are: L. W. Forbell, New York, first prize; Harry Williams, Nashville, Tenn., and Geo. E. Booth, Chicago, tied for second place; Wade Wood, Birmingham, Ala., fourth. Mr. Forbell secured 12 new members; Mr. Williams and Mr. Booth landed six each and Mr. Wood secured five.

The number of new members brought into the Association last year was 158 and in the year before 142 were induced to join. It will be seen that the results of this year's booster campaign have been about the same as during the last two seasons.

The continuation of the annual booster canvasses seems assured. It has become a settled method of obtaining new members. It appears to be the only practical way to keep the Association strong and vigorous. This method has value aside from its direct results. It develops an *esprit de corps* among the members generally that keeps alive their interest in Association work. The more members that are kept working for the organization the greater the enthusiasm. If members are asked to do nothing except pay their dues once a year, they are likely to lack real interest in the organization's work.

In addition to all this, it appears that the booster campaign is the only practical way to get new members. Paid solicitors in the field are too expensive. Their salaries and traveling expenses are far greater than the revenue they bring in. This is because the territory they are required to cover is too big.

Your secretary is glad to state that another Association has affiliated with us since the convention of a year ago. The latest addition to the affiliated ranks is the United States Feed Distributors Association. This gives the National Association 16 affiliated bodies, as follows:

Ohio Grain Dealers Association.
Indiana Grain Dealers Association.
Illinois Grain Dealers Association.
Western Grain Dealers Association.
Missouri Grain Dealers Association.
Kansas Grain Dealers Association.
Oklahoma Grain Dealers Association.



THE OLDEST MEMBER ATTENDING THE CONVENTION
L. F. Eaton, Amenia, N. Y.

Texas Grain Dealers Association.
Michigan Hay and Grain Association.
Northwestern Grain Dealers Association.
(Headquarters Great Falls, Mont.)
Pacific Northwest Grain Dealers Association.
(Headquarters Portland, Ore.)
Mutual Millers and Feed Dealers Association of New York State.
Eastern Federation of Feed Merchants.
Panhandle Grain Dealers Association.
New York State Hay and Grain Dealers Association.
United States Feed Distributors Association.

There has been a substantial increase in the number of affiliated members during the year. This increase was 198, due largely to the admission of the United States Feed Distributors Association. There was a net decrease of 116 in the direct and associate members but this is more than made up by the affiliated increase. The fact is that during the present convention year there was a net increase of 82 in all classes of membership—direct, associate and affiliated. Last year there was a decrease of 112 in the three membership classes.

The grain trade was never as well organized as it is now and it was never so much alive to the age old truth that "In Union There Is Strength." This was demonstrated in the fight against the McNary-Haugen bill when all members of the Association responded promptly and efficiently to the appeals of your secretary to write their senators and congress-

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men. Their united labors had much to do in defeating this legislation.

The affiliated members, whether they be grain or feed dealers, are as loyal and active in a legislative crisis as are the direct members. They understand and appreciate that there must be one federal or central body around which they can rally in times of stress. As long as the legitimate middleman is threatened with hostile legislation they will keep together for their mutual protection. And this is likely to be a long time, because all indications point to an increase rather than a decrease, in the tendency toward the socialization of industry.

Uniform Grades

The Secretary of Agriculture announced a number of changes in the wheat grades effective July 1, last. There were also one or two changes in oats, corn and rye. Bert Dow, chairman of the Uniform Grades Committee of the Association, will explain these changes to the convention in his annual report.

Crop Reports

G. E. Blewett, chairman of the Crop Reports Committee, will inform the convention about the conference that was held in Washington on February 8 and 9, to consider improvements in the present Crop Reporting Service.

There were present at this conference representatives from grain dealers associations, grain growers, threshers, millers and representatives of boards of trade. The conference, after its deliberations, made a number of important recommendations to the Department of Agriculture. A full report of the conference and of the various recommendations will be made by Mr. Blewett.

Financial Statement

The financial statement for the year reveals a surplus of \$15,414.59. This is an increase of \$1,719.81 over the surplus shown in the report for 1923 when the surplus reported was \$13,694.78.

When it is recalled that the Association has had the most active legislative year in its history the increase in the surplus is cause for congratulation. The finances of the Association are in a healthy condition and the organization is in position to meet another active legislative year without seriously impairing its surplus.

The books of the Association are audited each year by a chartered accountant whose reports are presented to the Auditing Committee at the convention. The financial statement follows:

FINANCIAL STATEMENT OF THE GRAIN DEALERS NATIONAL ASSOCIATION, COVERING THE PERIOD FROM OCTOBER 4, 1923, TO SEPTEMBER 20, 1924, INCLUSIVE.

Cash on hand last report.....	\$ 8,694.78
United States Liberty Bonds.....	5,000.00
Receipts	
Direct dues.....	\$20,241.00
Direct memberships.....	2,866.50
Associate dues.....	682.50
Associate membership.....	19.50
Regular subscriptions to "Who Is Who".....	704.75
Affiliated subscriptions to "Who Is Who".....	1,110.75
"Who Is Who" advertising.....	15,785.42
Sundries.....	82.40
Arbitration deposit fees.....	2,895.00
Affiliated dues.....	1,110.75
Investments.....	212.50
Subscriptions to arbitration decision book.....	25.00
Total receipts.....	\$45,736.07
Grand Total.....	\$59,430.85
Expenditures	
Salaries.....	\$14,132.42
Office supplies.....	852.51
Express and telegrams.....	281.06
General printing.....	328.22
Who Is Who in the Grain Trade.....	15,955.51
Office Rent.....	948.00
Telephone rent and tolls.....	191.60
Refund arbitration deposit fee.....	2,125.00
Legislative expense.....	1,263.07
Officers' traveling expense.....	1,075.68
Secretary's traveling expense.....	281.15
Postage.....	1,293.49
Sundries.....	304.38
Convention expense.....	2,653.14
Arbitration expense.....	927.76
Refund application fees.....	60.00
Transportation expense.....	1,343.27
Total expenditures.....	\$44,016.26
In bank:	
Commercial account.....	\$10,155.21
United States Liberty Bonds.....	5,000.00
Petty cash account.....	327.00
Outstanding check.....	\$15,482.21
	67.62
	\$15,414.59
Conclusion	
Your secretary does not feel that he should close his report without referring to the loyalty of your president, and the other officers of the Association as well as the membership generally. No association in the country has given its secretary more or better support. In the booster campaigns the members as a body respond unselfishly to the request for assistance, while the directors and the chairman of the various committees show that splendid spirit of co-operation that is necessary to the success of all voluntary effort.	

To President Watkins, the Association owes a heavy debt of gratitude for his labors during the two years of his administration. He has given the Association a great deal of time. No task was too arduous or heavy. He traveled much in your interest leaving his business in charge of others. Now that he is about

to retire, your secretary feels it his duty to tell the members how unselfish and earnest he has been in your behalf. He has made one of the best presidents the Association has ever had.

To A. E. Reynolds, chairman of the Legislative Committee; Henry L. Goemann, chairman of the Transportation Committee; C. D. Sturtevant, chairman of the Trade Rules Committee; Elmer Hutchinson, chairman of the Appeals Committee, and to all the other arbitration committee chairmen, as well as to the chairmen of the other committees, your secretary wishes to pay his tribute of praise for their hearty co-operation and unselfish endeavors.

The President: Gentlemen of the convention, this closes our program for the morning. I would like to make this comment before we adjourn, and that is that there is a certain courtesy due our speakers who come from some distance to talk to us. About three-fourths of our convention attendants are on the outside at the present time, and let us make a special effort to be here at 1:30 sharp this afternoon, because we have a full afternoon's work, an interesting and important meeting, and we need your help and assistance in this work. We will now stand adjourned until 1:30 sharp.

Monday Afternoon Session

The President: The first number on our program this afternoon is the presentation of the booster prizes.

It is a very pleasant duty placed upon me at this time by the order of the program, to summon before you the winners in the Booster Campaign of this year. Will Messrs. Forbell, Williams, Booth and Wood please come forward.

Gentlemen of the convention, you do well to bestow your applause and marks of appreciation on these, the leaders of the host of boosters during the past campaign. These gentlemen represent that large body of loyal members who have valiantly striven to increase our membership and add the new blood which is vital to the existence and success of any organization. In rewarding them we also have in mind those other members who have worked faithfully and well, and all without thought of any recognition other than the knowledge of work well done in behalf of the Association. While the intrinsic value of these awards which we present today may not be considerable, they are tokens of our sincere appreciation of the efforts of all of our boosters and most particularly of the four leaders who have labored so consistently and contributed so largely to the success of the campaign.

At this time I take pleasure in introducing to you



L. W. FORBELL
Winner of the First Booster Prize

Mr. Frederick N. Withey, vice-president of the National Surety Company, of New York City—a company well known to all of you—who will address us on "The Modern Crook, a Menace to the Grain Dealer."

Mr. Withey: Mr. Chairman and gentlemen: Sometimes I start out with a little nonsense, having nothing to do with my speech, just by way of lubricating perhaps some of the dust you get from the elevators. To that end I will tell you that I traveled in Canada quite extensively recently, speaking to various organizations up there. Before going to Montreal I was told that there were a great many Scotch people in the Province of Quebec, and I am somewhat inclined to think that is true. At any rate I had been in Montreal less than two hours when I found it possible to detect a powerful Scotch influence. They have a little phrase up there for visiting people from the States that reads something like this: "Four and twenty Yankees looking for some hooch, took a trip to Canada to find a little Skootch. When the Skootch was opened the Yanks began to sing, To hell with the President; God save the King."

ADDRESS BY F. N. WITHEY

FEW weeks ago the *Literary Digest* published **A** a chart which showed most graphically the enormous cost of crime. The figure given by a noted writer on criminology was ten billions of dollars annually that is lost, directly or indirectly, as a result of crime. This is more than three times the national budget for all expenses and more than 12 times the cost of maintaining the army and navy.

This enormous cost of crime must be borne by the businessman—by you and by me. There is no other method whereby it can possibly be liquidated. It remains as a gigantic tax upon all industry and business relations. Even though you may not suffer directly from crime, you have the cost of crime passed on to you from other businessmen from whom you buy and who must, in some way, make good their losses, which they add to the cost of goods they sell you.

We are always complaining of high taxes, and not a few businessmen will tell you that the country's greatest need is lower Federal taxes. Yet we pay as a tax for crime more than three times as much as all Federal taxes combined.

Why is the American businessman, the grain dealer, the coal merchant, hardware man, butcher and baker, paying such an enormous tax to crime, and what is the remedy for these appalling conditions which are proclaimed every day in the headlines of the front pages of every newspaper? This is what I shall attempt to show you, in the few minutes graciously allotted me on your program.

But before proceeding with my subject, let me explain just *why* I am here.

The National Surety Company, bonding more individuals than any other company in the world, began to feel the effects of this crime wave soon after the war. Losses mounted in an alarming fashion, till during the past two years, while we have taken in more than \$52,000,000 in gross premiums, the losses have been so great that our operations have shown a net loss of many hundreds of thousands of dollars. Only our large reserves, reinsurance, and extremely favorable investments have permitted us to continue in business.

Chairman William B. Joyce of the National Surety Company has been for more than 40 years a careful student of human relations and has given special thought to this alarming increase of crime. He has seen in the trends, as revealed today, a danger which threatened to undermine the whole fabric of the nation. Determining from his experience that the only method of stemming the tide was to educate the youth of the country in the principles of honesty, he organized in 1922 "The National Honesty Bureau" which prepared a text book "The Honesty Book" that is being largely used in various schools.

It also became evident that the employers of the country should be warned as to the dangers confronting them and should be informed as to the best methods of combatting the evils that exist in all sections. It is with such a purpose in view that I am here to talk upon the subject, "The Modern Crook—A Menace to the Grain Dealer."

Grain dealers have proved particularly bad risks under our forgery coverage. Doubtless this is due to the large amount of disbursements made by the average grain dealer. His payments to farmers for grain delivered run into large sums and checks for hundreds or even thousands of dollars coming from his office excite no suspicion at the bank.

These facts throw unusual temptation in the way of cashiers and managers of branch offices, who are constantly signing large checks to be delivered to farmers in exchange for grain. The result is often that the cashier or branch manager being desperately in need of funds, starts falsifying the records and issuing checks to fictitious names, which checks he later deposits in another city where he has opened an account under an assumed name.

Our claim records include many cases of this sort where the cumulative losses have run into the tens of thousands of dollars before being discovered. Some very ingenious schemes were used to cover up the discrepancies over a long period of time.

The greatest care should be taken in selection of

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cashiers and branch managers; the best possible systems of accounting should be installed and all persons in the employ of grain dealers should be placed under bond. Protection against forgery should also be placed upon the checking accounts at the main office and all branches.

When I mentioned this topic to a vice-president of our company who deals with the cases of embezzlement and defalcation, he said:

"The Modern Crook? Our experience tends to show that the employer is largely responsible for the modern crook. Of course it is the employee who is put in jail for having stolen the money. But our investigations reveal in about nine cases out of ten that there would have been no theft at all, if the em-



O. M. GIBSON AND J. A. PETERSON OF BALTIMORE

ployer had not opened the way by the laxity of his methods.

"Our modern businessman has for years been seeking the easiest ways of doing business. He has adjusted his system, such as it is, along the lines of least resistance. He does not want to incur the expense of hiring a certified public accountant to examine his books every three to six months. He does not want to take the trouble to have counter-signatures on all his checks signed by his employees and to have an accurate internal check-up on all items daily. He does not want to have the bother of checking up his own bank books every month. He does not want to take the time to investigate every employee thoroughly before he hires him. He wants the successful, plausible salesman and pays no attention to such salesman's reputation otherwise.

"Therefore he conducts his business along the lines of least resistance and then the loss is passed on to the surety company, when it occurs. It is opportunity that makes the thief, and only the "trusted" man can steal. Nor is this the worst feature. In some cases unhappily the employer makes intentional misstatements of facts in his negotiation for a bond. Is it any wonder, therefore, that such a man has trouble with his employees, such as lying to him and cheating him, if he has been lying regarding the duties and system of these employees?

"I recall one case of a merchant who wanted a \$1,000 fidelity bond upon a certain employee. This was an isolated risk and the employer agreed that a certified public accountant would audit the books every three months, but failed absolutely to live up to his warranty. After three years, this employee took the yellow-haired stenographer from the office and they eloped with \$30,000 of his former employer's money to start himself up in business. This employer probably thought himself shrewd in "saving" the money required for a quarterly audit. But it cost him exactly \$29,000, which was his own loss above our bond.

"We recently paid a claim of \$15,000 upon a girl bookkeeper. When asked what had led her into these criminal acts, she said her employer was a great movie fan and always wanted to get home early, to attend the shows at a neighborhood theatre. So whenever there was a slight discrepancy in the books, he showed her how to make a fraudulent entry so they would not have to remain till a late hour, to make the accounts balance. Of course, after her own boss had showed her how to falsify the books, it was not long till she was doing it on her own accord. Who was the criminal in this case, the weak and tempted employee, or the employer who had placed temptation in her way?

"If the employer ignores city fire ordinances, his employees will smoke in his plant in defiance of his orders and endanger his plant. If the employer has his bootlegger, the employees will have theirs. If the employer frequents race-tracks, pool-rooms, and gambles or speculates, can he blame his employees for do-

ing likewise? If he claims from insurance companies, items to which he is not entitled, his employees will adopt his tactics.

"In more than 90 per cent of the embezzlement cases that come to our attention, the losses are cumulative. The employee, after his first misstep, finds it so easy to steal and the chances of detection are so remote that he continues to take larger and larger sums over a period of years, till something occurs that leads to his detection, as it always does.

"The remedies lie in closer supervision by the employer himself; but the establishment of more perfect systems of checking up on each employee; by dealing with the public and with his employees in the manner he wants them to deal with him; by balancing his bank books each month personally and not entrusting that important duty to any employee. Executives who are 'too big' to watch important details, usually end in bankruptcy.

"Our businessmen should follow the same system practiced for many generations by English merchants, of employing a certified public accountant to come in at regular intervals and investigate the business thoroughly. An Englishman has his C. P. A. just the same as he has his doctor and his lawyer, and he considers such services just as imperative for the good health of his business, as he considers the services of the doctor for his personal health. Remember, if an employee steals for you, he will steal from you!"

So much, then for the subject of embezzlement, or inside crimes.

In order to bring you a message regarding the burglary, hold-up and banditry, which has earned such a prominent place in our newspapers, I had a talk with our vice-president who has charge of our burglary department.

"The most appalling feature of the burglary situation today," he said, "is the number of young boys that are engaged in this sort of crime. A few years ago, almost all of our yeggs and stick-up men were older men, but today they are mere beardless youths.

"In the old days, when we had older men to deal with, human life was not held so lightly. The older yeggs would not kill unless they felt their lives were at stake. But these younger boys are more reckless and daring. They would just as soon shoot anyone as not and therefore the front pages of the newspapers are filled with stories of killings as an incident to hold-ups and banditry. The use of liquor and drugs is a potent factor in producing this calloused mental condition. How many employers encourage this by their outspoken contempt for the 18th amendment to the Constitution of the United States?

"One great reason for the increase in this character of crime is the manner in which some sensational newspapers make heroes of the daring criminal. With pictures on the first page and columns of write-ups dealing with every feature of the crime and oftentimes with signed biographies by the criminal himself (or herself, as in the case of the Bob-Haired Bandit), is it

to show one a real time, finds himself involved to the extent of a week's salary.

"But the young fellows want their good times and some of them will have them. Therefore they fall victim to some older crook who will show them how they can secure money by a hold-up or a burglary."

As a safeguard against the form of crime, all the businessman can do is to use greater precautions; better safes, electric protection, more guards, and so forth. For the payroll many manufacturers are turning from cash to checks, for safety to life and limb, as well as to prevent money loss, or else employing companies who make this their business and assume all risks.

Where a payroll must be transported, the best thing I have seen is "The National Safety Carrier" which is a vest of hardened steel links into which any amount of currency or coin can be locked. This vest gives no evidence of what it is and when it is locked about the messenger it can not be pulled off over the head or opened by anyone not having the key. This device is owned by the National Surety Company.

Payroll by checks is the safest method of handling payments to employees, but even this is subject to dangers through another form of crime which I will illustrate by the story of a loss we recently paid.

A gang of negroes were working in Chicago. Each member had employment with some well known concern which pays by checks. At the end of the week, the gang had secured checks from about 20 of such firms. These checks were taken to their central headquarters where a small printing press was installed. By engraving processes, about 50 duplicates were made of each check. Then the gang members visited various stores on a busy Saturday night, wearing overalls and appearing as laborers anxious to cash their pay checks on the way home. "All coons look alike," so this gang secured many thousands of dollars before they were caught.

However, the merchant can now safeguard himself against these frauds in the cashing of such checks and against many other forms of fraud such as taking in counterfeit money, "no-account" checks and so forth, through a new fraud bond recently placed on the market by the National Surety Company.

Also the employer issuing payroll checks can now secure insurance against raising, forgery and duplication, which will protect against this growing hazard. Forgery has shown a greater increase, proportionally, than any similar crime in recent years. It is estimated that more than \$200,000,000 annually is lost through such cause.

Nor is it difficult to understand why this is so. The forger plays the safest game of all. He generally times his crimes so that the forged checks reach the bank right after the first of the month and it is not until a month later, when you get your cancelled checks and you examine them personally that you realize a crime was committed. It is usually too late to capture the forger.

Yet one more crime to which I would call your



O. W. RANDOLPH, J. M. BELL, J. A. KITTLESEN, J. G. TROESTER, W. B. BARTLETT
Representatives of the Machinery Interests

any wonder that the impressionable youth of today looks upon the daring and temporarily successful crook, as more or less of a hero and desires to emulate his deeds?

"Another reason for the increase in banditry, as I see it, is the 'High Cost of High Living.' Ten or twelve years ago a young fellow who was inclined to, could go out with \$5 and that would see him through the evening and night in style. He could take his girl to a good show, and after that he could buy her a dinner.

"Today, with girls who have developed a taxi-cab taste, with seats at the Follies costing \$5.50 each plus whatever the ticket speculator sees fit to charge you, with the after theater restaurants charging \$3.50 cover charge, and drinkables illegally selling for almost their weight in gold, any young fellow who wants

attention. This is the crime of the over-extension of credit, to which panics and the various business disturbances are due.

There is often much crime involved in the credit situation. Hundreds of crooked failures are recorded every year through the connivance or by deliberate plans of unscrupulous attorneys. Business as a whole loses these enormous sums and somebody must pay.

The remedy for over-extension of credit lies in greater care upon the part of the wholesaler to make sure that his creditors are able to meet all obligations. The desire to sell should never take precedence over good business judgment as to the financial ability and reputation for integrity of the customer.

Here too, we have a policy of credit insurance whereby a manufacturer who follows strictly, certain commonsense rules worked out with reference to his

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own business, can be guaranteed that his losses will not exceed a certain fixed figure. This policy of ours is already stabilizing credit for thousands of business houses and it will make for greater freedom from loss from this cause.

Truly, my friends, the situation as it exists in this year of our Lord 1924 is appalling. The tax business is paying for crime is too great and *must* be curtailed. And the National Surety Company, as is has always been in the past, so in the future it will ever be in the forefront of any movement towards a solution of the problem of crime or the curtailment of losses from this source. I thank you.

The President: I am sure we are very greatly indebted to Mr. Withey for bringing this interesting psychological study of the criminal to us today.

We will now have a few words from Mr. William E. Murphy, of Philadelphia, who represents the Horse Association of America and would like to speak to us at this time.

Mr. Murphy: Mr. Chairman and gentlemen of the National Grain Dealers Association: I sort of feel when I hear the name of Philadelphia mentioned outside of my own city that there is a sort of an air of suspicion directed against the person who comes from the Quaker City, inasmuch as all or a great many of those people of our good city are seeking a means of livelihood elsewhere since we have been represented by our distinguished gentleman in the Department of Public Safety. Speaking of Philadelphia again, it reminds one of the story that I once heard, that we get quite a lot of kidding about. Raymond Hitchcock said in Cleveland about a year ago that the city of Philadelphia was so far behind the times that a policeman had shot two letter carriers, believing that they were Confederate soldiers.

I am aware, gentlemen, that many of you are dealing in commodities that may make the subject that I am going to discuss very briefly somewhat uninteresting to you, because I have had the admonition from your chairman and from your genial secretary that about 10 or 15 minutes would be allotted to me. I want to assure you that that is plenty, and if I can stand up here and go through with it for 15 minutes, I will congratulate myself. I want to say this. As you know, this Horse Association that I am representing is an organization that represents the consolidated interest and industries that are dependent on the conservation of the horse. Those of you who are dealing in forage of one character or another have in years gone by to some extent secured whatever profits you have made through the feeding of horses. There seems to have been an evolution in the business during the past few years, and we believe that this was due to a very great extent, not only to the fact that there were shipped out of this country during the World War about 1,750,000 horses and mules, but it was due to a very great extent to a kind of apathy on the part of the breeders, and certainly the introduction of the pleasure car, the motor truck and the tractor. Those of us who are dependent upon the conservation of the horse believe that there should be something done by the allied industries in order that we might properly and conclusively place into the hands of those that are using transportation, either in the fields of agriculture or the man who uses equipment in his city delivery service, some illustration as to about what the cost of both forms of equipment are to the merchant and to the farmer. The Horse Association immediately after the possibility had been attained in bringing together the 41 different industries in this country that are dependent, either wholly or in part, on the service of the horse, went about to secure statistics, to send men out through the country in research work, to get facts and figures, which they have done consistently since 1919, to 465,000 users of transportation and to 6,012,000 farmers. I might be permitted to be personal for just a minute. My work is in connection with the iron and steel industry, with the horse shoe manufacturers and with the mechanical interests. I will say that.

I happen to be privileged to be the secretary of the Master Horse Shoers and Blacksmiths of this country, and represent just about 53,000 of those people, from Maine to California and from the borderland of the Gulf. My interest, of course, is directed again back to Philadelphia. I believe I conduct the largest business in our line in this country. Certainly you will say, that is selfish, and I am.

In 1907, '08, '09 and '10, our industry, that is, the horse shoe manufacturers, enjoyed the greatest prosperity that had ever been known in the history of the iron and steel industry. We were riding on the top wave of prosperity and nothing could ever come along and take away the supposed gigantic profits that were being earned, but it did come to pass in 1916 and 1917 that we realized that our business was very fast slipping away, and a survey was made of our industry. In 1907, '08, '09 and '10, 1,900,000 kegs of horse shoes were manufactured and worn out by horses that were being used on the hard-surfaced highways of our country. In 1918 a survey was made, and 900,000 kegs less were made in that year than there were in 1907, '08, '09 and '10. Our manufacturers, among which is the United States Steel Corporation, realized that something must be done. Hence the organization of the Horse Association. In

1921 a survey was made, after two years of the existence of this Horse Association, and the increase in the total output was more than 112,000 kegs from 1918 until 1921; from 1921 to 1922, about 94,000; and from 1922 to May, 1924, another increase of 87,000 kegs of horse shoes.

Now we hear the story, of course, everywhere we go that there are no more horses, and we are reasonable enough to acknowledge that there are not as many horses being used in cities, towns and villages on hard-surface highways as there were in pre-war times. We believe that if we can successfully show to a man or to a municipality that is equipping its delivery service with motor trucks, that the horse is more economical by 60 per cent in the particular class of transportation, and that we recommend horse use, that men will believe and will get back to horse use. I will cite an illustration to you. I was called to Buffalo a few weeks ago. They are using 550 horses in the Department of Public Service in Buffalo. One of our manufacturers, who happens to be the president of the United States Polo Association, has been entertaining the Prince for the last week or 10 days at the polo game on Long Island. He notified our office that the City of Buffalo was figuring on the discontinuation of 559 horses and going to equip that department with motor vehicles. Through a letter of introduction from our mayor in Philadelphia, I called on the mayor of the City of Buffalo, and he referred me to the Commissioner of Street Cleaning, and this is what I learned. There was a column and a half in the *Buffalo Courier*, and there was about a half a column in the *Buffalo Times*—propaganda of the mo-

and illustrated in detail what was to be done with the money which was to be obtained from the sale of these bonds, one man stood up and he said, "Mr. Chairman, I would like to ask a question. What I want to know is what has become of all the money that has been subscribed for the cause of Irish freedom, by my grandfather and by myself, and yes, by my own father," and he had hardly got the words out of his mouth until one husky Irishman walked over and started something, and when they got through they picked this fellow up and carried him out on a stretcher. After order had been restored, the chairman rapped his gavel, and he said "Is there any other gentleman would like to ask a question?" One little fellow stood up over at the side of the room and said, "Mr. Chairman, I would like to ask a question—where do you pay?"

Now what I would like to ask on behalf of the Horse Association of America is that your directorate would give direction to support this movement. The National Hay Association has subscribed this year \$5,000 to advertise the economical efficiency of the horse, and the American Hay and Grain Association has held the matter in abeyance on account of their finances; the New York Hay and Grain Association has subscribed \$1,000 to be spent in advertising your business and my business; and in passing I might say this, that the industry that I represent has subscribed in the past three years \$50,000 for advertising horses throughout this country; and I might also be pardoned if I would add just this, that of over 17,000,000 horses that are under harness only 2,300,000 of them are being used in the cities, towns and villages on hard surface highways where we have even the slightest chance of getting one dollar return for the money that we have invested. Your Association has, of course, from time to time loaned the association its moral support; you have complimented its officers, and have praised our directors on the splendid work that has been done by the Horse Association, but so far you have never subscribed, to my knowledge, one dollar to help to perpetuate the horse, and to demonstrate to those of us in other lines of industry that you are with us to put this movement over. Now I say of the 17,000,000, they need feed. Only about 2,300,000 of those wear horse shoes. We subscribed over \$50,000 and the grain men, as I have said, haven't subscribed anything. What I would like to ask you to do is to investigate this matter, inquire of your directors as to the efficiency in the conduct of this organization, inquire from your president, and from your secretary, or any of those that are connected with the Horse Association of America, and then I appeal to you on behalf of this organization for your earnest financial support. I thank you.

The President: The next on the program will be the Legislation Committee report, by the chairman, A. E. Reynolds.

Mr. Reynolds: Mr. President and gentlemen: As one of the grain fraternity that for a long time has been living on the forlorn hope, I find at least a few remarks of consolation as we go along. One is that the horse is increasing in numbers, and there is some hope of the oats crop being consumed, and I am more encouraged because our previous speaker, Mr. Withey, has told us in substance at least that the grain men are not the supreme crooks. You know we have been so charged for so long that I began to wonder if it did not have some grain of truth in it, and I am glad to have that matter settled or set at rest by a speaker from the outside.

Now I further want to say before I begin reading this report that I think you people have discerned this morning from the address of our good president and our secretary a little conspiracy against me. They seemed to have framed an agreement here to make their reports brief. They didn't say a word about it, or I might have made mine briefer than it is. If, however, gentlemen, you knew how hard it is to try to review a part of legislative activity and do it briefly, you would at least have some sympathy for me and bear with me on this speech, which is not quite as long as it was last year, if that will give you who heard it last year any consolation. If I were going to make a brief and summarized report, and keep up with our good president and secretary, I would say that we have gotten through another year, and nothing really bad from Washington has happened to us. That would be my report and that would be all, and that would cover it. So I ask you, gentlemen, to bear with me on this report. I asked President Watkins if I might not skip over a couple of pages, but he insisted that I give you all of it.

REPORT OF LEGISLATIVE COMMITTEE

THE United States has been dubbed the country with two million laws, most laxly enforced. Whether anyone has had the time, patience and ability to count and codify all these laws, I am unable to state. It is, however, apparent to all that the familiarizing one's self with all existing laws is an impossible and hopeless task. Law breaking through ignorance of the law is not excusable. Punishment for infractions of laws that are so numerous as to be beyond the powers of men to know, must often work serious hardships. That our laws are too numerous and too complicated, stands undisputed. It must be borne in mind, however, that we have reached a complex state of civilization. Primarily, laws are enacted



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tor interests which it later proved to be, saying that these departments in Buffalo were going to discontinue horse use and equip with the electric vehicle. After the thing had been sifted down, we learned that Buffalo was buying one electric truck. That was good propaganda to carry into your city, to show you that Buffalo was discontinuing its horse use, and we were permitted in the same newspaper to rectify the statement that had appeared just a few days before my visit to that city. Let me show you what increase in horse population means, and I will use Philadelphia as an illustration. In 1919 we had 19,624 horses in Philadelphia. That represents about 55 per cent less than we had in 1912. In 1922 we had approximately 24,000; 1924 will show about 29,000 horses in use in city delivery, or an increase of approximately 30 per cent in the horse population in our city. Now it means this, that some grain man is going to feed three ton more of grain a year, and some hay man is going to feed three ton more of hay each year for every horse that we put back into the delivery service, and we are going to get our share of the business. I refer, of course, to the iron and steel industry.

Now, we have paid our bills. God knows, we have paid our bills by our apathy, in part. I say we—I mean, in our industry. I am reminded of a man who attended a meeting in Philadelphia, a meeting called for a definite purpose. They were making an effort to sell Irish liberty bonds, and they were all Irish at the meeting, of course. They were prepared for one man who opposed everything that was ever recommended, either by the body or by a committee. After the chairman had said to those who were assembled

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to control the individual. If strictly complied with by the individual, the whole body politic would at once become law-abiding.

Just complaint against the increasing number of laws is heard from every side. I sometimes think the fault is not so much in passing new laws to meet new conditions, as in the lack of repealing old laws which by reason of changing conditions, have become useless and obsolete. Thirty years ago very few and simple laws were necessary to control traffic even in our greater cities. The advent of rapid transit vehicles and the thousandfold increase of traffic on all the thoroughfares of our great cities and even on many of our country highways, have made new traffic laws and regulations necessary.

We still use the expression "Free as air"; but the air is not free any more. Progress made in wireless and radio communication and the advent of air navigation are gradually forcing the passage of laws and regulations controlling the use of the air. The inventive genius of man forces the public control of his inventions. Who can imagine the need of a law 50 years ago controlling the operation and safety of passenger elevators in 30-story buildings? They are quite necessary now. As our inventions, customs and modes of living become more and more complex, we will require new laws to control them. As the tendency of the strong becomes more and more inclined to impose on the weak, laws must be enacted to protect the weak. The one divine law—the Golden Rule, covered the whole scope when it was promulgated. As perverse mankind gets farther and farther away from recognition of that law, the greater the need of man made laws to control his perverse tendencies.

What is most needed is a real law house cleaning; a wiping out of all useless obsolete laws; a bringing of our statutes up to date. We call ourselves modern and yet we permit to stand on our statutes hundreds of laws that if enforced would retard all business operations and effectually stop further progress of our civilization. The majority of our people daily violate some existing law. Why not clear up the situation by a wholesale law repeal?

A member of the Illinois legislature, some time ago, proposed devoting a whole session of that body to repealing laws. Not only are many of our laws unnecessary and out of date, but hundreds of them are ludicrous and silly and were so at the time of their passage. As examples of some of these silly laws and ordinances, Oklahoma has a law prohibiting the teaching of evolution. Were this law in Nebraska, we would conclude Mr. Bryan had sponsored it. A Michigan town prohibits a man from looking into the eyes of a lady when dancing with her. In the up-to-date state of Illinois, a law exists which declares the language spoken is the American language and not the English, and that it must be so called.

Why not wipe them all out and start over again? All that is really needed is a strict adherence to the good old Constitution with its attendant interpretation by the United States Supreme Court, coupled with a few enactments and regulations covering complex modern conditions.

During the past year we have witnessed strange and unparalleled occurrences in legislative circles in Washington. A new epoch has been inaugurated. Congress, both House and Senate, seems to have reached the conclusion that it is not necessary for it to harmonize with the President. In fact, there has been set up at either end of Pennsylvania Avenue, opposing forces in constant conflict each with the other. In this conflict the interests and welfare of the country are in danger of being submerged.

A hopeful sign, however, is seen in the people joining with the President. After all, the great responsibility for results rests on him. A prominent Senator said to me recently, "Just in the reverse ratio as the President advances in the minds of the people, so does the Senate decline." This is doubtless true in the recent conflict. The public estimate of the Senate can not decline much farther unless there is a subcellar into which public opinion can consign that body.

One of the disparaging signs of the present time is the disrespect in which our national lawmaking bodies are held by the general public. The lack of respect for those in high places is fast becoming a national disgrace—a sad commentary on representative Government. It should not be so. A high regard and respect almost approaching reverence, should exist for the President of the United States and the members of Congress. It in a measure must be so in order for us to reach the highest standard of representative government. These public officials are our representatives, our servants, created and ordained by us. In the same measure in which we discredit them, do we doubt and discredit our own ability to choose proper representatives. One crying need of the time is a return to high regard for those in authority.

The people believe that the last Congress did little if anything in the way of constructive legislation. I am not ready to subscribe unconditionally to this belief. Just how far the political orators may be able during this campaign to dispel that almost universal belief, remains to be seen. It cannot be denied that many important and far-reaching measures were before Congress at last session. Some were passed greatly to the disgust of both the President and the people. Some were vetoed. Some were defeated. Most prominent among the measures defeated stands

The McNary-Haugen Bill

No other measure before the American Congress in the last 40 years has been so widely discussed and so much written about; nor has any other measure involved more uncertainty and danger in results. If the American public read as much of the solid news in the public press as they ought to, every man and woman in the United States would be able to intelligently discuss this bill. But they don't. So the public knows little about the measure. Business men, financiers and thinkers on public matters know all about this measure. It is not necessary, therefore, to go into detail about it here. All grain men understand it.

We have not heard the last of the McNary-Haugen Bill idea. The radical progressives have declared their intentions of reintroducing the bill at opening of Congress in December. We seriously doubt if it will ever become the prominent issue that it was at last session.

The recent advance in grains has brought to light the possibility as to whether the farmer might not fare worse under prices established by the bill than under those influenced by natural economic conditions. We have vividly before us the conditions during war times when fixed prices were greatly to the detriment of the farmer. Artificially fixed or controlled prices will always work a hardship just as Government interference always upsets business. Either may be likened to displacing the skilled experienced operator of a complicated machine, by an inexperienced operator. The machine at once is thrown out of adjustment and either produces bad results or breaks down altogether.

I think it is a safe prediction to say that the McNary-Haugen Bill will never become a law. With this dangerous proposition out of the way, what is to be expected next? The mania for special radical farm legislation has not yet spent itself. It is reasonable to

conditions are not determined nor materially changed by politicians or by political parties but by natural economic forces and conditions. These inexorable economic laws work out in spite of legislation or politicians.

"The efforts of the Harding administration to help the farmers were constant throughout its entire term. Throughout the past three and one-half years, there has been no period of six months during which the administration at Washington was free from consciousness of crisis among the farmers. Some of the ablest men in the Harding administration worked on the problem—Secretary Wallace, Eugene Myers, Jr., Secretary Hoover. The leaders of Congress worked on it and Congress was liberal with appropriations. The aggregate of money devoted to help of the farmer, was not short of a billion dollars. The War Finance Corporation was revived to loan money to co-operative farming associations, to live stock associations, and to banks who were carrying loans for farmers. When the period for which it was first revived expired, it was extended. When this period expired it was extended again. Yet a third time was it extended. In all the sum loaned was upwards of five hundred million dollars in the efforts to restore farming prosperity.

"An emergency tariff for the benefit of farm products only was passed, as one of the first acts of the Republican administration. At the end of that emergency tariff, a permanent tariff was written in the making of which the leaders of the farm bloc in the Senate were given *carte blanche* to 'write their own ticket.' Statutes were passed to legalize co-operative marketing and to give co-operative associations immunity from the restrictions and penalties that are imposed upon agreements in restraint of trade in lines other than farming. The Government farm loan banks were induced to loan large sums to bring down the rate of interest which private lenders of money were charging the farmers. An intermediate credit system was set up with sixty million dollars of Government money and with power to borrow more for the purpose of making loans to farmers.

"Through the initiative of the President and some of the members of his Cabinet a ten-million-dollar corporation was set up by private business men, including banks and corporations that sell goods to the farmer and related interests, for tiding over some of the rural banks in the Northwest that were in difficulty. All of these things were done in the interest of bringing the farmer back and restoring him to parity with the other industrial interests. It should be said that some of these efforts were partially effective but in spite of all attempts to help, those economic laws which determine the cycle of economic conditions that must follow all wars, went on inexorably."

What Mr. Sullivan has said here is driven home more forcibly by happenings since it was written last July. Congress adjourned. Tinkering and tampering with economic law and the inexorable law of supply and demand, ceased. Political demagogues and economics doctors went home and as far as is possible with such beings, they for a short time at least, turned their attention to minding their own business. Natural conditions have for a short period prevailed and without any apparent reason, beyond the fact that these retarding influences were for the moment withdrawn, conditions have all at once most materially improved. The best informed grain people and the most able economists are alike at a loss to account for the influences that have advanced the price of all farm products. It is easy to say that it all came about by the prospect of a short crop. This is doubtless to some extent true with corn, but other crops apparently are abundant. The supply is practically normal and yet we have had a very sharp advance. All of this most forcibly illustrates the folly of trying to legislate values into commodities. It also demonstrates the folly and danger attendant on attempts of Congress to control economic laws with Government power and the use of Government money.

It cannot be denied that the Harding-Coolidge administration has worked incessantly for the past four years to help the farm situation. Farmers' organizations throughout the country have used every possible effort. The farm bloc and the radical wing of Congress have practically had their own way and in a large measure have carried out their extreme ideas regarding farm legislation. All of their efforts came to naught. Some influence which may be called economic laws, the law of supply and demand, or whatever name we want to call it, takes a hand, and lo, we have a marked change.

A careful study at close range has led me to the conclusion that the farm condition has been overstated greatly to the detriment of the farming industry. That it has been and is bad, I freely admit, but no good comes from condemning the whole industry to the bow-wows. Basically, nothing is wrong. The situation is capable of improvement under the same methods as are applied to any other business that is in distress. What business has not been in distress since the war? Careful analysis of the primary troubles reveals at once the simplicity of the situation. The farmer must get more for what he has to sell or buy what he has to buy cheaper, or a little of both. Any sound legislation in the way of protection or stimulation of markets and trade relations, to bring about either or both of these results, is warranted and to be devoutly hoped for. These problems are up to Congress



A. E. REYNOLDS
Chairman Legislative Committee

expect that the attitude of the farmers toward grain legislation will be radically changed since they have become such a large factor in handling the grain business of the country. We can reasonably assume that their influence on legislation will be directed toward their own interests. Since their interests are daily becoming more closely allied with the interests of the grain trade in general, we must conclude that the farmer will soon be our close ally in the legislative conflict.

The Agricultural Situation

The situation of the farmer has been so prominently in the public mind during the past two years that our people have come to look on it as an old story and have largely ceased to give it serious thought. Politicians have exploited it in a narrow, selfish way. These politicians seem more concerned in securing the farmer's patronage than in solving his problems.

What is a real and sensible solution of the farm problem? I frankly confess that I cannot reach a self-satisfying solution. My close relation with the farmer and his problems alone warrants me in even approaching the subject. The solution certainly does not lie in the direct line of class legislation. It does not lie in political measures of expediency.

The Republican Convention which nominated President Harding declared itself unalterably in favor of assistance to the farmer. Mr. Harding emphasized the declaration in his speech accepting the nomination. He adhered most religiously to that declaration and to his promise by continuous effort to secure favorable farm legislation.

Mark Sullivan in *World's Work* for July, 1924, reviewed this situation very carefully. I take the liberty of quoting from him at length since he covers the matter so admirably:

"Harding wanted to bring the farmer back to normalcy, tried to, but could not. No illustration could more strikingly drive home the fact that fundamental

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and I have profound faith in their solution as soon as the political agitator has run his course and Congress has an opportunity to consider the question without prejudice and adverse political influences.

The Elevator Merger

The most important single event that has transpired in grain circles during recent years, is the taking over of the four large Chicago and one Kansas City elevator companies by the farmers' organizations.

This move has caused a good deal of suppressed excitement among farmers and grain people. From every quarter we hear the questions—What does it mean? How will it affect the grain industry? Will it succeed? etc., etc. As I look at the move it means that the elevator companies who have joined this move-

rially increase the demand for American grain at high price levels will in practice fail.

Outside of our home demands we must meet world competition. The peasants of foreign countries can and will produce cheaper than our American farmers. We cannot maintain our high standards of American country life and sell our grain in competition with the worse than slave conditions of production in many foreign countries. I, therefore, conclude that in considering the laws of supply and demand, that demand is practically beyond our control and only slightly susceptible to artificial influences. We, therefore, have only to consider supply. The question of supply is to some extent under human control. I am thoroughly convinced that in the control of supply lies the surest means of securing to the American farmer remunerative prices for grains, and particularly for wheat.

In airing my personal views on supply and demand, I have digressed from the elevator merger. The great question—Will it succeed?—seems to disturb many people. Why should it not succeed? It certainly has the good wishes of everybody. The farmers have shown commendable judgment in retaining in the new organization, the general personnel of the old elevator companies. These men possess the highest qualifications and are thoroughly experienced, honest and capable. If these men cannot make a go of it, then it cannot be made to go.

The most enlightening thing that I have seen on the merger, is the article by Mr. Phillip S. Rose in *The Country Gentleman* under date of August 23. I recommend that our members read it. It is very comprehensive and to the point. I take the liberty of culling from that article, the following:

"Why did the owners of the five merged companies want to sell? I put that question both to George E. Marcy of the Armour Grain Company and to E. F. Rosenbaum of the Rosenbaum Grain Corporation. Mr. Rosenbaum acted as spokesman for both of them.

"We're tired of governmental regulation," he declared. "The way things have been going, we do not know what morning we may find ourselves in the same position as the brewers after the passage of the Volstead Act.

"No one has made any money in the grain business for several years; 90 per cent of the futures trading has been driven to Winnipeg because of the Capper-Tincher Act.

"If we fight for what we consider our legitimate business rights, we are held up before the whole country as enemies of the farmers, as rogues and thieves.

"The farmers have always declared they wanted a seat on the Board of Trade and their own marketing agency. That is exactly what we are offering them.

"And what is more, we are offering them the biggest thing in the business—elevators, telegraph systems, offices, foreign connections and the best trained and most successful executive managers in the grain marketing industry of the world."

"But," I objected, "you want to sell because the business is not paying. If it were, would you consider selling?"

"Certainly not," he replied. "If the business were like it was a few years ago, just try to buy us out."

"Moreover," he continued, "under existing conditions a very large grain company is necessary to effect the required economies.

"But do you suppose the Federal Trade Commission would permit these five companies to merge under private ownership? It would not, but a farmers' co-operative can do anything."

"We are selling an organization that knows how to buy grain and sell it, how to charter a boat, how to go after the export trade, how to grade and clean and mix grains to get the most out of them. That is what we are offering and that is what the farmers want."

"Why isn't that a good deal for the farmers, too? They will not be beset with the same difficulties that hamper us. They will not have the Government regulating them. If the laws do not suit them they can get them changed; they have political power to do these things."

"They can go to the United States Shipping Board and obtain a favorable rate on export grain shipments, while we have always been discriminated against."

This is admirably put and clearly sets forth what is said elsewhere in my report—that we may expect sane and sensible aid from the farmers in future legislation. Whatever is good for the farmer in the grain business is good for the grain man in the grain business.

The whole merger proposition is one of old wine in new bottles. Let us devoutly hope that the wine coming from the new bottles will so stimulate the flagging energies of the agricultural community as to spur it on to renewed effort which is bound to bring the highest degree of prosperity to all.

The Railroads

The number and scope of the measures proposed to regulate our railroads indicate clearly the state of the public in mind on that subject. The position of many legislators as thus revealed is clearly antagonistic to our transportation system. The fact that such legislators have reached their conclusion by use of false hypothesis and for the purpose of meeting the demands of popular clamor makes the situation but little less dangerous. When an individual or a people breaks over the boundary of fact and sees proper to revel in

the realms of untruth, speculation and fancy regarding any problem, the result is uncertain.

In the endless discussion of the farmer's problems we hear continuously connected with it as the primal cause, the freight rate question. The farmer's problem is not one of transportation. The margin of profit above actual cost gained by the railroads in transporting farm products is such an inconsiderable small amount as to have no appreciable effect on the prices of farm products. Vastly greater harm is done the farming industry by lack of quick adequate transportation than from excessive freight charges. We need more railroads rather than hampering and ruining those we now have. If the radical element succeeds in carrying out its intentions to wreck and ruin the railroads by burdensome and confiscatory legislation, they will bring on the country in general, and on the farm industry in particular, a calamity much greater than that from which they seek relief.

Pacifism and Foreign Relations

These subjects have become very live issues in the recent past. They are so closely interwoven that they are impossible of separate consideration. Everybody wants peace; so also everybody wants closer and more extensive trade relations with all the outside world. The "Peace at any price" slogan has never had a parallel in all our history. It has become a frenzy. Its advocates have lost sight of every principle that has helped to evolve our country and to make it the Mecca of the world. They have forgotten patriotism, honor, home and country. I am for peace, but in "Peace at any price," I take no part.

The farther we mix in European affairs in our efforts to increase our export business, the more likely we are to involve ourselves in their troubles. If we are deeply involved in the European commercial situation, we cannot honorably avoid mixing in war if it again comes. No one acquainted in a small degree with the situation can have any confidence in a lengthy future peace between France and Germany. If to gain the trade of either we mix too much in her policies, we cannot hold aloof when the trouble comes.

I have a firm conviction that we have mixed quite enough in European affairs. We have established a policy of hands off. I hope we will not reverse ourselves on this policy. We need their trade but we had better suffer distress here than involve ourselves with war problems over there.

The pacifists think that all European countries are thirsting for peace. Not a bit of it! The reason many of them are now aloof from war is the lack of the sinews to wage it. European complications cannot be entirely avoided. These problems will come and will be solved. Our greatest danger comes from within—in such unpatriotic and treasonable movements as "Peace at any price."

All Europe today admits that the United States stands as the supreme power of the world. She does not so admit it without a keen pang of jealousy. She prefers it not to be so. Anything that she could do to reverse conditions she would willingly do. Every nation



ELMER HUTCHINSON AND HIS SON, LOWELL

ment have simply concluded that they prefer to join the farmer movement to control the grain business of the country than to fight it out on an independent basis. I can see no reason for finding fault with their conclusion. They have exercised their rights as American citizens to conduct their business as they choose. They certainly are wholly within their rights, ethically and legally.

The effect on the grain trade is yet to be determined, but viewing it from the most pessimistic standpoint possible, I can see no harm that it can do to the grain business in general. On the other hand, I see a great deal of good that may come from it.

The farmers and political agitators have heretofore contended that at least some of these firms now under their control have so manipulated markets in the past as to materially depress the prices of farm products. Whether that be true or not, is and has been a live question. Under the control of the farmers themselves, the policies of the new organization will surely be so framed as to stop all such baneful practices. Under existing conditions, there is little, if any likelihood of other grain firms trying to run counter to the policies of this gigantic organization. We may, therefore, assume that the objectionable practices which it has been charged have aided and abetted in the systematic depression of prices, will be permanently removed from the markets.

Whatever danger of bear raids that may have existed since the passage of the Capper-Tincher Law, has undoubtedly been wiped out by the new move. For years past we have had drummed into our ears the complaint of bear raids on the grain markets unduly depressing prices. If the farmers' organizations are to fix the policies of the grain industry, we will never see another bear raid. Why? Simply because the farmers' interests are never on the bear side. He is the seller at all times, therefore always the bull.

In general the farmer has questioned the governing influence of the law of supply and demand. He has believed that prices may be controlled so that high prices may always prevail. He also believes that markets have in the past been artificially controlled by private interests wholly to his detriment. If the farmer is right in his contention, then we may expect uniformly higher values under the policies of the new combination. I, for one, am curious to see what will happen if all bearish influences are removed and only bullish sentiment remains. The only sound conclusion to be reached is that such a change ought to tend toward permanently higher level of prices. I am not ready to predict that the result will be as indicated and I am just as loath to say that it will not.

If all artificial influences that have conspired to depress prices are removed; if the laws of supply and demand are unhampered by these influences and at the same time are aided by strong artificial bull influence; it certainly will tend to strengthen prices.

Now what is the conclusion of the whole argument regarding higher prices based on supply and demand? I am firmly convinced that all artificial efforts to mate-



J. H. BARRETT, CHET A. DAVIS AND RAY MURRELL

in Europe stands ready to take advantage of our patience, forbearance and long suffering.

Taxes and Prosperity

For many months past there has been an earnest persistent effort on the part of all commercial reports and the public press to boom business. This effort has not been wholly in vain. But in spite of all effort and desire the real commercial boom does not materialize to any great extent. We wonder why. As I see it, the reason lies in the fact that the means used to create the boom are all artificial and not based on sound economic principles.

The greater part of the incipient boom has been bought and paid for out of funds secured from ruinously high taxes. At the close of the war a general idea prevailed that home building and general public

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improvements having been suspended for a period of three or four years, were entirely behind, and that a great campaign of construction must be inaugurated in order to catch up. The carrying out of this plan has created a boom in building materials and kindred supplies and in wages of mechanics. The whole crazy course of this boom has been unwarranted. It has been entirely overdone. It has been carried on much to the detriment of farming and allied interests. Its whole course has been artificial and economically unsound.

The gigantic road building campaign prevalent over the entire country has been spurred along by the influence of an oversaturation of automobiles aided by road material manufacturers. The craze for building schools and other public buildings has had no bounds. More roads, schools, memorials and other public improvements have been built within the last four years or are under way, than were built in a period of 40 years before. These improvements are nice and to a degree necessary but a moderate plan of spreading these expenditures over a long period of years would have been much sounder and vastly more economical.

To meet all these vast expenditures the industries of the country, including farming, have been sapped by taxation to the utter limits of ability to pay. The boom brought about by this unwarranted and unsound course has been dearly bought and paid for by excessive taxation. The vitality of the country has been drained to pay for this boom of luxury. The most baneful results of this unsound economic procedure are yet to come. We have been reveling in a scale of extravagances and luxury that is beyond our earning capacity and beyond our ability to pay. It is gradually being driven home to the public that he who dances must pay the piper. The pipers for more roads and more roads, for more automobiles, for more public improvements, for higher and still higher wages are now beginning to demand their pay.

All of these extravagances coupled with the natural aftermath of the war, have heaped onto this country, a financial burden that would have bankrupted any other country in the world. Our financial fabric has been strained to the uttermost. The farmer along with all the other basic industries is called on to pay the piper. Legislation has had and will continue to have, little to do with correcting the situation. The remedy lies with the people. A return to reason, to an economical scale of spending wholly within our ability to pay, will correct it quickly and start a boom void of artificiality and with a reasonable chance to continue. The resources of our country are wonderful but they have limits. We can not pass these limits in our expenditures without dire results.

What is the Matter With Congress?

My brief answer is nothing, yet I recognize the fact that such an answer is not altogether satisfying.

Acres of newspaper print have been given to criticism of Congress in the past few years; thousands of speeches and magazine articles have been broadcasted to the public; all predicated on the assumption that basically something is wrong with Congress. My contention is that the something wrong is with the people.

taining the people's rights. The first question to be determined is—What are human rights? Our people hold diverging opinions on that question. They have preconceived ideas of their rights and proceed to besiege Congress to pass laws to secure the supposed rights whether right or wrong. The sooner the people come to understand that our Constitution clearly sets forth the human rights guaranteed to American citizens; that the Supreme Court of the United States is the established tribunal to interpret that Constitution; the sooner will Congress begin to function in its former prompt and efficient way.

I am not ready to affirm or deny the oft repeated statement that the personnel of Congress does not fairly represent the American people, and that it is much lower than ever before. If the statement be true, the fault is not with Congress but with the people. Bernard Shaw has aptly called our Government a Democratic Republic—Democratic because the voting franchise is extended to all—Republic because our Government is directed by delegates elected under that universal franchise. The exercise of that franchise is a privilege and a sacred duty, but how is such duty performed? Investigation reveals the fact that in our general election about one-half of our people perform their duty and vote, whereas in the primary scarcely more than one-fifth of the voters of the United States express their desire as to who shall represent them in operating their Government.

It has been claimed that the supposed low personnel of Congress is chargeable to our primary method of selecting candidates. It may be so, but if it is so the fault is more glaringly with the people and not with the candidates selected at these primaries. If there is not enough interest in the primary election to draw out more than one-fifth of the votes, the system cannot be chargeable with the result. It is a notable fact that there is never any apathy on the part of the ward healers or legislative bunco steerers in the primary elections. These elements are always on the job. The only way these nefarious influences can be counteracted is by more concern of the good people in these primary elections. The personnel of Congress represents the idea of the voters in the primary elections as to the kind of men that they desire to make their laws and protect their human rights. If this personnel is not what it really ought to be, the correction of the fault lies at the source; the exercise of the voting franchise of the good people of the country.

The universal howling of the people against Congress ought to cease. We ought to return to the old-time degree of respect for those whom we elect to represent us. The growing disregard for law and disrespect for those who make and execute our laws has become a serious menace to our Government. The willful breaking of law has become an alluring adventure to be indulged in at pleasure with the object of gaining new thrills.

The Future

The future is full of hope. The stability and strength of American business has been strained to the uttermost. It has come through basically sound. Nervous tension has been carried to the top notch. It is slowly easing. Everything within the scope of human activities has been at fever heat. It is now cooling. The devils of imagination that have tormented our souls beyond the point of endurance are slinking to their lairs. Legislative experimentation is waning. Radicalism is not quite so radical as it was. It has lost some of its viciousness. There are signs that the bloc system in Congress is not looked upon so favorably as it once was. High taxes seem to have reached their zenith. The campaign for lower taxes and economy in public affairs is a hopeful sign. Beyond all question we are over the worst of it all and can reasonably expect better things rather than worse. We are now passing through an exciting political campaign. The two great political parties each have a valiant Richmond in the field. The disciples of discontent are rallying about a spectacular leader. All classes are finding a chance to blow off steam and reduce the nervous tension. A conviction that we will have a sane and sensible forthcoming administration has settled on the people. Unrest throughout the country is slowly subsiding. Our people have experienced great difficulty in adjusting themselves to citizenship in the richest, most powerful nation of all history.

REPORT OF THE TRADE RULES COMMITTEE

The President: The next on our program is an important item, namely, the consideration of our Trade Rules Committee report. I understand that Mr. Sturtevant is unable to be with us to present this matter today, but S. P. Mason, a member of the committee, will take his place on the program, and we will now have our trade rules report and discussion. Mr. Mason will read the report and we will then take up the discussion of the proposed changes.

Mr. Mason: Some of the suggestions that came to the Rules Committee have not been passed upon by the committee as a whole. There has been some thought that the Rules Committee either proposed or made rules. That is, of course, not the case, but the action is taken by the convention itself. I have received letters as a member of the committee suggesting that certain rules be passed. The Rules Com-

mittee simply submit to the convention the proposed rules; you make the rules. The Rules Committee make no rules, nor do the directors make rules. Now a number of suggestions were made to the Rules Committee and we have passed on them. Possibly the quickest way would be to go through the suggestions that are made, and you take any action that you deem advisable. The first suggestion was the use of certain code words. It was proposed that the Association adopt certain code words published in the Robinson code book to mean "Grain Dealers National trade rules to govern" and "Grain Dealers National trade rules in feeding stuffs to govern", and that an effort be made to have all members use these rules in wiring offers or acceptances when dealing with non-members. In passing on that the committee



HOWARD LIPSEY, H. W. WOHLERS, C. C. LEWIS

decided that that couldn't be properly provided by rules, and if agreeable to the convention we are going to pass that question to the Resolutions Committee and possibly have a resolution on that instead of making a rule. I don't see that we can make a rule that Robinson has to publish certain words nor that the grain dealer necessarily has to put them in his book. If it is agreeable I will just pass that on.

The President: Without any opposition, we will pass that.

Mr. Mason: The second one, Official Inspection Final. Unless there is some discussion, the committee is going to ask Mr. Strong to support it and give his reasons, as we do not see the necessity of national rules including a rule of that sort, and unless there is some one that wants to discuss it or give us some reasons for it we will pass that second one.

The President: I hear no motion, and we will pass the suggestion.

Mr. Mason: The third suggestion, "Grain sold subject to dockage." "When grain is sold subject to Government dockage, the trade shall be consummated upon the basis of the net number of bushels."

The committee recommend that that be adopted.

The President: Do you make a motion to that effect?

Mr. Mason: I would so move. (Motion seconded.)

Mr. MacDonald: Will that be a brand new rule, No. 42, or something like that?

Mr. Mason: Yes, a new rule. It would have to be numbered.

Mr. Reynolds: And that is the entire rule?

Mr. Mason: That is the entire rule. (The motion was then put, and carried.)

Mr. Mason: (Reading rule) "When grain is sold basis weights and inspection at destination in regular terminal markets, the buyer shall charge interest to the seller on drafts with bill of lading attached in accordance with the rules and practice of the destination market, whether the buyer is a resident of such market or not."

That rule was proposed by Mr. Gamage. The committee do not recommend the adoption of the rule, because we consider that the Association is national in scope and that it is a matter of practice between the dealers as to whether interest is charged or not, but it is open for discussion.

The President: If there is no one to discuss it, we will pass it.

Mr. Goodrich: I was going to move that it be laid on the table, but if you pass it, that is practically the same thing.

Mr. Mason: The next is a suggested amendment to Rule 5.

"On all shipments diverted or reconsigned, the date of diversion or reshipment shall constitute the time of shipment."

Gentlemen, we were all agreed as a committee upon recommending the adoption of such a rule, but just before I left Sioux City I received a letter from Mr.



SETH CATLIN AND L. G. SMITH OF BOSTON

There is a widespread idea that legislation can cure all the evils that beset us. In its effort to cure these evils by legislation, Congress brings criticism on itself because the evils still remain. Hence, Congress fails to meet public approbation.

The hesitation, inaction and supposed inefficiency of Congress is brought about more by its desire to please the constituency than from incompetency and lack of desire to legislate effectively. The modern practice of Congress keeping its ear to the ground to detect the rumblings of public opinion, has become a sinister hindrance to wise and statesmanlike legislation.

The basic function of government is to protect human rights. It naturally follows that the object of legislation is to assist the government in main-

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MacDonald of Boston, and from Mr. Busse, of Boston, stating that such a rule was contrary to all practices and custom of the New England trade. It has been the practice, I will say, almost uniformly in the West that the date of diversion constitute the time of shipment. It has been so recognized in a number of arbitration cases that have come before the Arbitration Committees. I see Mr. MacDonald is here, and I would like to have him speak on the rule.

Mr. MacDonald: Well, unless some motion is made for the rule, perhaps it will be unnecessary to speak. My theory of it is, in brief, as Mr. Mason has just said, we must have rules that are national in scope. We must not make rules that will cover only one section of the country, and will work a detriment to another. In the first place, I think we have too many rules, anyway. I have always contended that we needed no rules to trade under. This new rule that was just passed would be No. 42. I think some years ago 38 was the highest number. If we keep on year after year, we will soon be up to 100 rules and everybody in the grain business will need legal counsel to keep them fully advised on the subject. So unless somebody talks very strongly for that rule, it will not be necessary to say anything further. In the East we do have the practice of reconsigning. For example, if I had September oats bought from Armour of Chicago, and by some chance they should fall down and I had them sold and I wanted to preserve my sale and I had at the same time oats in transit shipped in September, I could enter a reconsignment order and the Chicago dating would apply and protect my sale. There are other contingencies under this rule that would raise more trouble with us, but if there is no movement in favor of it, I won't go into it further.

Mr. Jones: Mr. President, I move you that that rule as read by Mr. Mason be adopted, and I will tell you why. We have had arbitration cases where the point in question has been a vital point. Arbitrators have decided they passed on their version of the intent of the rules in effect at the time, and there has never been a rule that has been perfectly clear and definite on that point, and for the easy handling of many cases by arbitrators they should have a rule by which they can back their opinion or decision. Now that rule is definite, and what we have now is indefinite. It should be distinctly understood when a man sells a car of stuff for shipment that it means it has got to be shipped in a definite manner to him by a certain prescribed time, and this rule as written will so define it. It will make it easier for the arbitrators. It is so clear that everybody reading it can understand it. I move the adoption of the rule as read by Mr. Mason. (The motion was duly seconded.)

Mr. MacDonald: I must speak against it further. I want to have our rules so we can work under them, and New England cannot work under such a rule as that. Do you realize what it would do with the lake and rail practice? We buy stuff for September shipment, lake and rail. The Grand Trunk will not issue us a bill of lading until that stuff is at the port. A bill of lading September shipment might be dated October 8. That would constitute, I presume, under

the National Association that bar a large section of the country from trading under the rule. I therefore hope the motion will not prevail.

Mr. Jones: I certainly would not want to see any rule passed by this Association that would work a hardship on New England. But I don't catch the reason for there being a hardship under this rule for Mr. MacDonald, because it is a mere matter of understanding a trade at the time the deal is made. Now here is where arbitrators have been confused and have had to base their decisions on their opinion of the intent of the rule. For instance, a man in Buffalo will sell Mr. MacDonald, in Boston, a car of oats for 10 days' shipment. Well now that man in Buffalo has a right to feel and believe and know that what Mr. MacDonald expects is that he is to ship him a car from Buffalo within that 10-day period. He may have a car in transit from Kansas City that he thinks is going to be there in 10 days. It doesn't come in; the market is down, and it is reconsigned. After two days, should he chance to sell this car, and I sell it to you in transit, we will say to be shipped in 10 days, and the car was in transit all the time during the life of this contract. Now the buyer didn't know when he bought the car that it hadn't yet reached Buffalo, or that there was no chance of it getting out of Buffalo within 10 days' time. But when you fix a rule saying specifically that the dates apply from the date of reshipment from Buffalo, then the man in Buffalo who buys it knows that it has got to be shipped from Buffalo in 10 days and not be in transit all that time. It just makes it definite, and I don't see how it could affect your trade, because if you have lake and rail stuff that you want to sell, when you make your sale that way it will be in transit from Chicago within September, although it is in transit by water, and all you would have to do is to show, although you may not get a rail billing until later, you are able to show that it was in transit by water and you have sold it to be in transit in September from Chicago; and it is easy to show that it was.

Mr. Goodrich: I would like to have the chairman explain the necessity of this rule. What is the reason for it?

Mr. Mason: Well, I may say that Mr. Busse perhaps answers it. I would like to read from his letter.

"The time of shipment cannot be considered as acceptable provided it is determined by date of diversion; so far as date of diversion is concerned, in New England there is no limit in the number of diversions that may be made. As long as it is originally dated, they say, in New England you can ship it to St. Louis, Chicago, Cincinnati, or elsewhere and you still have to accept the original date of shipment. Apparently that is the New England trade. Now to answer the other question, our theory has always been against that. Personally, I am a terminal elevator operator. I sell a man grain for 10 days shipment. Conditions prevent my getting it out within the 10 days. I would like to get it out. The market two or three days after the 10 days are up is still in my favor. I haven't been able to get it out of my elevator. If this rule is not put in, if the New England idea is accepted, I am able to take grain shipped from the

shipped a car to Chicago and afterwards sold to a buyer in Buffalo, he couldn't divert that car which was in transit to Chicago after the date of expiration of shipment, because your date of diversion would govern. You couldn't divert it, if you sold for 10 days shipment, after that 10 days had expired; you wouldn't be fulfilling your contract if you diverted that car, under the proposed rule. In other words, you would have to make your diversion before the contract expired.

Mr. Reimann: It is a question in my mind there, whether it isn't a little too broad. Now this does not relate directly to the people who buy and divert, but it says, "the date of shipment," and a man in the country has a contract with perhaps a man in Boston after the date of shipment, and yet the Boston man will have a right to divert it, and I am only



A. S. MAC DONALD

trying to find out what effect it will have on the original shipper, if he is not a party to the diversion.

Mr. Mason: Would it have any effect on him?

Mr. MacDonald: There is no real reason for this rule that I can see, and it will make it very awkward for the section in Buffalo and the East to trade on.

Mr. Mason: Isn't it awkward to trade on Rule 25 now then? Wouldn't Buffalo be considered a terminal market?

Mr. MacDonald: Yes. Well, Black Rock. That is in the switching district.

The President: Would you consider a car sent from Black Rock on the last day of shipment, although it may have been shipped from some Indiana point, as applicable on contract, if it arrived after the expiration of the time of shipment in Black Rock for diversion?

Mr. MacDonald: If I happen to have a car in transit and reconsign, the contract is good and the buyer is notified.

Mr. Hutchinson: I think Mr. MacDonald stated the crux of the situation. If a New England man wants to sell western country corn, he can protect that in his contract. But if he sells a specific market contract, it should be billed out of that specific market within the time or diverted within the life of the contract. In the arbitration work we have had many cases of that kind. Another thing, the buyer has a vital interest in these contracts from this standpoint: A buyer may want to buy grain out of Indianapolis, for instance, for 10 days shipment to an eastern mill. He knows about how long it takes to get grain from Indianapolis to his mill, and he will divert on that. But if he has to accept grain billed from Kansas City within the life of the contract and carry the hazards of shipment from Kansas City to Indianapolis, he doesn't know just where he is at. And this rule is intended to clarify the situation. I don't see why Mr. MacDonald cannot protect himself in his contract if he wants to get western shipment, meaning by that from some place in the West not designated, but if it is a certain number of days, according to the remainder of that rule, the word "ship" means that the billing instructions must be given to the railroad, and that completes shipment.

Mr. Reimann: Well, it is pretty broad here. The way that reads it involves all kinds of shipments. Not terminal market shipment, but on all shipments.

Mr. Green: Mr. Chairman, I have had quite a long experience in the arbitration work of this Association, and I don't see any need of this thing at all. It is going to make a lot of trouble for some parts of the country. We have always handled this thing, and the precedent has already been established by the arbitration and appeals committee, and I think it is unnecessary, and I am opposed to it. I move that the motion be laid on the table. (Motion seconded)

The question was then called for, and the motion to table put, and carried.

Mr. Mason: The next is No. 6, suggested amend-



THE CHIEF GRAIN INSPECTORS ASSOCIATION POSES FOR A PICTURE

your rule, the date of shipment, and would make it impossible for delivery to be effected under September contract. There is another point. We might have September corn, bought again from Chicago. If the date of reconsignment constitutes the date of shipment, it will be quite possible, under the old conditions of delay in transit for the Chicago concern to apply some corn that might have come from Oklahoma in August, and as long as their date of reconsignment showed September dating from Chicago, it would be a perfectly good delivery under the contract. I want very much to keep the number of rules to a minimum. The feed arbitrators say they are in a perfect tangle because they have so many rules and they are so long, and they started in making amendments, and they are becoming greatly confused. The more rules, the greater the possibility for jokers to come in. I would rather see fewer rules than more, and I certainly don't want to see any rules passed by

country. Possibly the car was in bad order, been delayed 12 days in transit, and I take and divert it to Mr. Jones or some other buyer, three or four days after the trade has expired, but as long as it was dated back in the country it would fill the contract, and we were trying to make a rule which would make the diversion date the date of shipment."

Mr. Reimann: How does this affect the party in the country, for instance, that is not a party to the diversion? He is selling under a rule that permits diversion. For instance, if he ships from some point up here in Indiana on the last day of September to make a September shipment, and it comes on and the purchasers divert it. Now what would be the effect with reference to him? Does it relate back to him, or does it relate only to the man that is diverting?

Mr. Mason: It relates only to the man that is diverting. That is, if a certain country shipper

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ment to Rule 23, suggested by Mr. Goodnough. It is: "When grain is sold basis shipper's weights from points where no official weights are obtainable, it shall be the duty of the seller to furnish proper affidavit of actual loading weights to reach the buyer before the arrival of the shipment at destination, and in case certificate is not received as above the buyer shall have the privilege of making final settlement upon the basis of destination weights."

The Committee considered that and found that we had a great many complaints, but in the form that it was published in *Who Is Who*, Mr. Sturtevant and myself and Mr. Smith, in going over it, considered that the provision was too drastic, because in markets such as Omaha or Kansas City, grain is shipped by the country shipper and when it is sold on



CHARLES B. RILEY
Secretary Indiana Grain Dealers Association

the floor it is sold based on shippers' official weights, and it takes two or three days to get a certificate. We believe there should be a time limit within which a certificate should be furnished, and Mr. Sturtevant and myself thought within 10 days of arrival at destination. I want to say that Mr. Smith is strongly in favor of the rule. The Committee recommend some sort of a rule as to time limit. We want an expression from the grain dealers as to what the time shall be.

A Member: Don't you think 10 days would be a little long? Don't you think five would serve the purpose?

Mr. Goodrich: I move that the time be fixed at 10 days, for this reason. Freight moves almost as rapidly now as the United States mails, and I know a good many shippers especially that have line elevators are paying a good deal of demurrage because they can't get their papers to terminals quick enough and can't get their drafts in.

Mr. Edwards: I think that 10 days is entirely too long. As I understand it, that means within 10 days after the arrival of grain at destination. I think not to exceed five days, and I believe three days would be ample.

Mr. Mason: The Committee considered 10 days after shipment, but the trouble is, suppose a man shipped from the country a car on consignment on the market and it took 12 days to get into that market. Then is he prohibited from selling it under this rule? The rule says that destination weights govern, and he is not furnished the certificate. It hasn't even been sold yet. We simply want to get the sense of the meeting as to what is a fair time.

Mr. Edwards: Three or five days after arrival is giving ample time and don't you think by wire, or even by mail, from most any point, a weight certificate should arrive within five days after the grain has arrived?

Mr. Mason: Suppose I consign a car to you at St. Louis. It arrives in St. Louis. You wire me, "Sold car today basis shipper's sworn weights." I wire you I can't send it, and I have to go out in the country, in South Dakota, to get a certificate. I don't think five days is too much. I think I should have five days to write my shipper and get it back to me.

Mr. Edwards: Not exceeding five days.

A Member: Would it be in order to suggest five days with the date of arrival not considered? You see you might get a car late in the day, and then you would have five days in addition to the date of arrival.

The President: There is no motion before the house. Perhaps it better be put in the form of a motion.

Mr. Edwards: Mr. President, I move you, sir, that the rule suggested be amended to not exceeding five days.

Mr. Green: There is one thing that strikes me, and that is I think we are unprepared to discuss the thing

because we haven't got the rule before us to see what change it makes in these different rules, and I suggest in considering these different things you give us the rule as it is and the change that is proposed to be made. I will second the motion.

The President: It has been moved and seconded that this rule be amended, and Mr. Mason will read it as now proposed.

Mr. Mason: "When grain is sold basis shipper's weights from points where no official weights are obtainable, it shall be the duty of the seller to furnish proper affidavit of actual loading weights to reach the buyer within five days after the arrival of the shipment at destination, and in case certificate is not received as above the buyer shall have the privilege of making final settlement upon the basis of destination weights."

Mr. Green: You don't quite get my point. I want to get the entire Rule 23.

Mr. Mason: I was just about to read it.

"Rule 23. Weights and Inspection of Grain sold destination terms. (a) On grain sold track-loading station, or delivered basis destination terms, it shall be the duty of track buyers, receivers, millers and consumers of grain at points of destination where no regularly constituted rules and regulations are in effect, first, to obtain in the consent of seller to make such delivery, and then to furnish to the seller sworn or public certificates of weights and grades; giving the postoffice, date, name of elevator, mill or warehouse, where weights were obtained, name of the weighmaster's employer, name of the weighmaster, location or description of leaks, if any, the seal record, the railroad agent's written acknowledgement of said leaks or other bad order conditions, when and where the grain was unloaded, and the original paid freight bill on grain sold delivered."

Mr. Riley: If this is amended as indicated, will that relieve the receiver from obtaining the consent of the shipper?

Mr. Mason: Yes.

Mr. Riley: Well then, of course, most all the shippers will be opposed to it.

A Member: Doesn't this proposed rule apply to Section "B" instead of "A"? I think you will find that this proposed amendment substitutes it.

Mr. Mason: No. The original intention was to cover cars that came in and had to go some place where they couldn't get official weights. In case you sell shipper's weights originally you have to furnish them at the time of sale, according to this rule.

Mr. Green: In other words, this would be Section "C" of that rule?

Mr. Mason: No. The rule would read, first to obtain the consent of seller to make such delivery, and then to furnish to seller sworn or public certificate of weights and grades, to reach the buyer within five days after the arrival of shipment at destination.

Mr. Green: Well, it seems to me, Mr. Mason, that this proposed amendment only applies to Section "B,"

ducks, or something, and that being the case another day goes by, and the third day he might be able to get in touch with the man. He would start them back to Mr. Mason at Sioux City, and by the time he got the billing and got it down to St. Louis the five days would elapse. So, I would offer as an amendment, to make it seven days instead of five.

Mr. Riley: It does not seem to be clear in the minds of all of us just what this means. You speak of shipping a car to St. Louis on consignment and then the receiver selling it based on shipper's weights. Now then this rule says five days after arrival at destination. Does that mean the destination to which you sold it out of St. Louis.

Mr. Mason: Yes.

Mr. Riley: Suppose I sold it to some point where it takes several days to get there.

Mr. Mason: Then it would be within five days after arrival at destination. May I say this: The Committee questions the advisability of putting a rule in on this. This was simply suggested by one of the Committee for discussion, but the Committee were not as a whole strongly for it, and I am willing to pass it up, as our present rule hasn't given us much trouble, unless there is a strong demand for it.

Mr. Goodrich: Inasmuch as we can't make this rule suit everybody, and may not be suitable to anybody, I move that we lay it on the table.

(The motion was duly seconded, and carried.)

Mr. Mason: One other proposal suggested by Mr. Sturtevant and myself as an amendment to Rule 23, not published in *Who Is Who*:

When grain is bought destination weights and grades, and the buyer by the terms of the contract has the option of selecting such destination, settlement must be made upon the weights and grades in effect at the destination named by the buyer in his billing instructions. If the shipment is diverted by the buyer to a different destination, settlement shall be based upon weights and grades at point of origin, unless the grain was inspected at the point to which the shipment was originally billed, in which case the settlement shall be based upon such inspection and upon weights at point of origin.

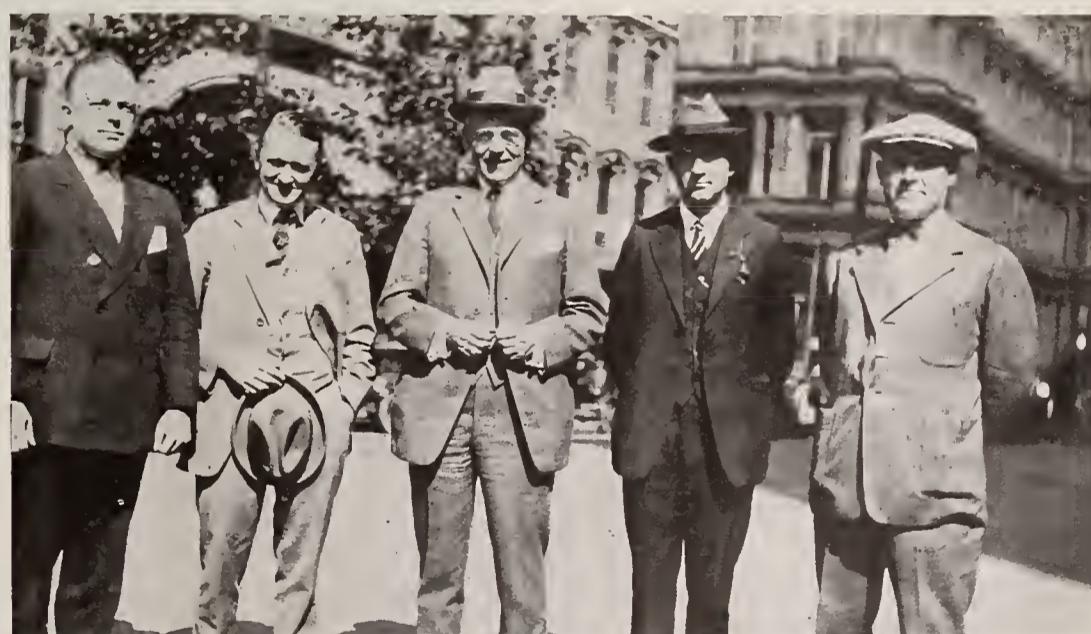
Mr. Goodrich: Where would this come in Rule 23? I would like to know where you propose to put this if it is adopted.

Mr. Mason: Section "C."

Mr. Goodrich: That would be a brand new rule, and would you suggest putting it in just as it is printed here?

Mr. Mason: The intent of that is that the first official inspection governs, and that you put that in effect in your original billing instructions. I believe there should be something in there that would allow reinspection. He might want to forward it to another market. It might be Omaha inspection, Cedar Rapids weights. But he can't take the Omaha or Cedar Rapids inspection at his option. It must be the first official inspection. But the man should have the right of reinspection.

Mr. Booth: I believe there should be a little change in the wording. I think it should be worded, "offi-



H. E. TWEEDEN
Buffalo

M. M. NOWAK
Hammond, Ind.

S. E. PROVOOST
Buffalo

F. W. HIPPLE
Kansas City

GEO. B. WOOD
Buffalo

because this is a sale on shipper's weights, and doesn't he state official weights and grades may apply?

Mr. Mason: I am subject to correction. I think you are right. I am willing to accept the correction and say that I would so consider it, that that would apply to section "B."

Mr. Wayne: It seems to me we are likely to get into a little trouble, because there are lots of shipments made, for instance, from St. Louis and the grain is sold shipper's weights. The shipper at the time had no intention of having his grain sold shipper's weights. Now take Mr. Mason's case, shipping from Sioux City or from South Dakota down to St. Louis. The car arrives there, and as I understand the five days would include the day of arrival. It would take one day for a telegram to get up to Mr. Mason and he might not be able to get in touch with his men in South Dakota. He might be out shooting

cial inspection at the first destination," not "the first official inspection."

Mr. MacDonald: I would like to simply reiterate something that I said in speaking about Rule 5, that unless there is some strong demand for such a rule, unless that serves some real vital purpose, that it be passed. My sole desire is to have briefer and fewer rules, not more and longer.

Mr. Booth: This seems to be a very just rule. It seems to me the shipper is entitled to that, the first inspection at the destination named in the contract. If the car is diverted after that, the shipper should not be responsible and be a party to that diversion. It seems to me like a good rule to protect the shipper of the grain.

Mr. Lewis: I can see the value of this rule as to inspection of grain, but I can't see as to weights. I might buy grain in Iowa for official destination terms

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and bill it to Buffalo, and when it arrives in Buffalo want to reconsign it to New York. I don't think the rule should compel me to accept weights at point of shipment, particularly if they be country weights. I should think the shipper of the car would naturally want the car to go to a market where it could be officially weighed. And he naturally would object to having his grain reshipped to another market after it had been originally shipped to Buffalo where it could be inspected, and when it is inspected there the receiver certainly knows what condition the grain is in. I think it is only fair to the country shipper to have a rule where, if the Buffalo buyer, as an instance, bills his grain to Buffalo as a terminal market, or rather as a terminal inspection or destination inspection, that his responsibility ceases there. It seems to me, as I read the rule here, that the emphasis should be put on the inspection. The weight isn't of much importance. As I understand it, there is no definite call from the country shipper for the official weight at any particular point. What he is interested in is the inspection at the point where it was originally billed.

The President: There is likely to be some confusion here. We have no motion before the house, and we have two different propositions.

Mr. Green: May I suggest that this be referred back to the Committee and let it be brought up again at a later time? I make a motion to that effect.

(Motion duly seconded, and carried.)

Mr. Mason: The next is a proposed amendment to Rule No. 32. Rule No. 32 at present reads: (Reads Rule 32.) That rule, gentlemen, by the Rules Committee was intended to cover defaults in contracts, uncompleted contracts, and it has been taken advantage of by those who have introduced the rule to apply to actual grain that is shipped, and the proposed amendments are that the provisions of this rule shall apply only in case of default by either party. Now our only objection to this rule is that this year there is 24 and 26-pound cars in various parts of the country, and in loading on 80 cap. car the country shipper is inclined to load within 18 or 20 inches of the roof. And just because that complies with railroad minimum, we don't consider that the man is actually fulfilling his contract, and after careful thought, Mr. Sturtevant and I drew up a rule which I have passed around, I believe, and I would move the adoption of such a rule.

(Motion seconded.)

The proposed rule is as follows:

(A) When grain is sold by car load the seller shall have the privilege of loading the amounts shown below:

Shelled Corn,	
Wheat, Milo Maize,	
Rye, Kafir Corn,	Oats and
Barley, Feterita	Ear Corn

If no size specified or if 80 cap. specified 80,000 to 88,000 64,000 to 70,000
If 60 cap. specified 60,000 to 66,000 48,000 to 54,000
If 100 cap. specified 100,000 to 110,000 80,000 to 88,000

(B) In case of default the contract shall be adjusted on the following basis:

Shelled Corn,	
Wheat, Milo Maize,	
Rye, Kafir Corn,	Oats and
Barley, Feterita	Ear Corn
Lbs.	Lbs.

If no size specified or if 80 cap. specified 84,000 lbs. 67,000 lbs.
If 60 cap. specified 63,000 lbs. 51,000 lbs.
If 100 cap. specified 105,000 lbs. 84,000 lbs.

(C) If the seller loads more or less than the amounts shown in Section A in the size car contracted for, the buyer shall accept it on contract and adjust the shortage or surplus between actual weights and the amounts shown in Section B at the fair market value on the day after the car is unloaded.

(D) If the seller loads other than the size car contracted for, the buyer shall have the privilege of rejecting it and claiming default, or of accepting it on contract and adjusting surplus or shortage as provided in Section C. Such option to be exercised by noon of the next business day after he has notice of the default.—Now there is only one thing. We did change, in case of default, the 80,000 to 84,000, as making it an average. We did that only to make it an average. If this convention thinks an 80,000 or 88,000 basis to settle on in case of default is proper, you can change that. That is the only change in Section "B," in case of default, if the 80 cap. is specified or no capacity is specified, we change that to 84,000 instead of 80, and in the 69, we made that 63, and on the 100,—105. We considered that was average loading.

The President: The motion before the house is that the rule as printed on this yellow blank be adopted.

Mr. Booth: I think there is a typographical error there in Section "C," "at the fair market value on the date after the car is unloaded." That means day that the car is unloaded, does it not?

Mr. Mason: Yes.

Mr. Booth: As a country shipper, I would object to Section "D." Oftentimes the country shipper has no control over the size of car that he gets. They order a car for a certain size; they may get it and

they may not. If they have sold a 60 cap. car, and they are getting very scarce—if he has to wait for a 60 cap. car, his date of shipment may be entirely gone. I don't think they ought to be penalized. I think the contract should be settled on the grain sold and the underage or overage settled on market basis.

Mr. Mason: Don't sell a capacity car then. Sell the number of bushels that you are going to ship.

Mr. Booth: I agree with you there, but as you said a while ago about loading practices with the fellows—"they will do it."

Mr. Mason: We considered that they had defaulted on the contract if they sold an 80 and shipped a 60. If that is too drastic, we will be glad to have the opinion of the convention.

Mr. Reimann: If you are making that change, wouldn't it be well to include 110 cap.?

Mr. Mason: I don't know of any such capacity.

Mr. Reimann: I might say, in shipping wheat this year, 60 per cent of the wheat we loaded out went in 110 cap. All the new cars coming in on the Big Four are 110 cap.

Mr. Mason: That is new to me. Out West we haven't got 110 cap. What can you load those 110 capacity?

Mr. Reimann: Ten per cent over. We got into some of those close to 122.

Mr. Green: That is not national enough in its scope.

Mr. Mason: We can well do that if you think it is necessary. Let me suggest that if you feel it is important enough, to offer an amendment to add 110 cap. and specify the size, and I will add it right now. Otherwise, we will vote on the original motion.

Mr. Booth: As I understand, this is a substitute entirely for the rule.

Mr. Mason: Yes sir.

Mr. Booth: All right. Suppose a man sells 10 car-

loads of grain, and arbitration comes up to determine what is 10 carloads. How are you going to tell under these rules?

Mr. Mason:

Mr. Green: In case a shipper loads an 80 and only puts 60,000 in it, has he defaulted?

Mr. Mason: No. It is only when he loads a different size.

Mr. Goodrich: Doesn't Section D give the buyer the right to forfeit the contract?

Mr. Mason: If you don't ship what you contract for, yes.

Mr. Goodrich: Suppose you get a big car and are compelled to load more?

Mr. Mason: Well, don't sell that way.

Mr. Goodrich: Oh well, I move to lay the amendment on the table.

(The motion to table was duly seconded, and carried.)

Mr. Mason: Gentlemen, the convention did not start as early as anticipated, and the next question is 6 and 7, of which you have slips to read over tonight. I possibly would like to have you take that 32 up in the morning. We have spent a good deal of time on it, and I move you that these rules be carried over until tomorrow morning. I think it is very important to the grain trade as a whole that we give due consideration to these matters and that we do not hurry through them.

(Motion duly seconded, and carried.)

The President: That will become a special order of business at some time tomorrow morning.

Now we have a short report which we would like to get out of the way and complete this afternoon's program, and then the meeting of the Board of Directors directly following adjournment. Mr. Quinn will read the report of the Membership Committee, Leo Potishman, chairman.

REPORT OF MEMBERSHIP COMMITTEE

As Chairman of the Membership Committee, I beg to submit the following report:

The Booster Campaign for new members began on February 1, 1924. We have secured 147 members. The number of new members secured for the Association is growing each year. This is a record each member should be proud of. The Booster Campaign, under the capable direction of Mr. Charles Quinn, our secretary, is handled in a manner that causes each member to want to get in the harness.

As chairman of the Membership Committee, I want to thank each and every member for his splendid cooperation given this Committee and the efforts put forth to obtain additional members. Many have worked to get members without results. That is very beneficial to the Association, because the next campaign will cause that man to join in most cases. The Grain Dealers National Association is of inestimable value to the grain trade in general and each member in particular. We should all put forth an effort to put the advantages of the National Association before each prospective member and every responsible and reputable grain concern in the United States is a prospect. If they are not a member, they should be. Let's all work to make the National Association bigger and better than ever, and it can be done by each getting one new member.

In conclusion I wish to express my thanks to Mr. Charles Quinn, our secretary, for his splendid cooperation, which has made the success of this Committee possible. It has been a pleasure to serve as its chairman.

The President: This will conclude our program for the afternoon. We will now stand adjourned.

Tuesday Morning Session

THE meeting was called to order by the president at 9:30 Tuesday morning. In opening the meeting President Watkins said:

Because of the fact that some of you will not be able to be present tomorrow forenoon when the resolutions are presented to you in the regular order by the committee, I will at this time recognize Vice-president F. G. Horner to offer a resolution for your consideration.

Mr. Horner: Yesterday afternoon there came before the Board of Directors for consideration the question of continuing the publication of *Who Is Who*, and they unanimously passed a resolution ordering the continuing of the publication, and also the appointment of a committee of two, consisting of President Watkins and myself, to prepare a resolution on the same lines for the action of this convention today. I therefore move you, Mr. President, the adoption of the following resolution:

"The Grain Dealers National Association recognizes the publication of *Who Is Who in the Grain Trade* as necessary for the welfare of this Association, and we now reaffirm the action of the Omaha national convention of 1911 in instituting this publication and direct that *Who Is Who in the Grain Trade* be continued in its present form and policy." (Motion seconded.)

The President: The matter is now before you for



LEO POTISHMAN

loads of grain, and arbitration comes up to determine what is 10 carloads. How are you going to tell under these rules?

Mr. Mason: The answer to that is in Section B.

Mr. Riley: I would suggest that you put 110 cap. in there, and make the 110 and 10 per cent over. It ought to go in there, because the cars are coming in right along.

The President: Does anybody care to offer an amendment to include the larger size in this motion?

Mr. Riley: I would like to offer that motion as an amendment, specifying the 110,000, and 121,000, I think, would be the 10 per cent over. I don't know what that would be over on oats myself.

The Secretary: One hundred and twenty-one.

Mr. Riley: Some of those they will allow you to load 125, depending on the condition of the car.

Mr. Mason: Have they changed the size of the box car, or simply the trucks?

Mr. Reimann: Changed all of it. They are larger cars than the 100.

Mr. Mason: I don't think we should make the amendment until we find out how many oats we could get into it.

Mr. Green: It seems to me we might as well eliminate Section "D" because it is probably covered by Section "C." In other words, they are almost contradictory to each other, and I believe if we leave Section "D" out, Section "C" will cover the field.

Mr. Mason: You are mistaken in that.

Mr. Green: If he loads an 80 with 70,000 pounds of grain and marks it loaded within 24 inches of the roof, you charge him the difference between that and these specified amounts. "D" says, if the seller loads other than the size car contracted for, he has defaulted. We have country shippers who sell us an 80 and load 90,000. We don't charge any default because it is over 88. That section "C" is intended to

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discussion. (Calls for question. The motion was then put, and unanimously adopted.)

ADDRESS OF JUDGE ROLAND W. BAGGOTT

JUDGE Roland W. Baggott, of the Court of Domestic Relations, Dayton, Ohio, was the first speaker on Tuesday morning. His topic was "Reforming the Reformer," and he started out by remarking with a smile, "Gentlemen, it can't be done."

He dwelt upon his work on the bench and the opportunity it had afforded for him to have contact with professional reformers. This, he said, was far from being the pleasantest side of his judicial duties. One of the best remedies, he thought, for the present over-supply of professional reformers was the cultivation of a national sense of humor. In discussing the legal profession's members who led in some of these reforms, he said that "the lawyer is at all times as honest as the immediate needs of his client require him to be."

"Two-thirds of my time is spent with reformers," said Judge Baggott, "and I find that as a rule they are either very old men or very young women—the former without memory, and the latter without imagination. As time goes on I begin to believe that we now live in 'the land of the free and the home of the searched'."

He made a very effective appeal for less radical activity in legislation, less reform blocs and lobbies, and for an honest effort toward rational government with no "isms."

The President: We are fortunate in having with us today a gentleman who stands very high in the councils of the insurance fraternity, our next speaker, Mr. Henry S. Ives, of Chicago, who will address us on "How Socialism Is Encouraged by Thoughtless Business Men."

ADDRESS OF HENRY SWIFT IVES

QUANTITATIVE government is the besetting sin of this generation. The old qualitative theory which held that the government which governed least governed best, rapidly is being scrapped. In its place we have the theory that to be governed is the chief end of man.

It always has been a tenet of democracy that the people should support the Government. The political futurists of today, however, would have the Government support the people. The taxpayer in the new order is being forgotten except as a producer who cannot evade the expense of being ruled. The modern idea of sovereignty is autocratic and reactionary. It seems to hark back to the "I am the State" of Louis XIV; the sovereignty of "We, the people" is passing.

It is true that absolutism in its monarchical form has been discarded, but in principle there is no difference between that form of absolutism and the absolutism of the socialized State. The individual suffers no more from interference with his liberties by a King than he does from like interference by a State, in the conduct of which he supposedly has a voice. And it ought to be quite plain to even the host of mental day laborers with which this country is afflicted—but unfortunately it isn't—that all of the socialist schemes for the repression of individualism are really nothing more than an adaptation to modern conditions of the long since outlawed theory of the divine right of kings, now masquerading, however, under a new name and adorned by the frills and furbelows of the Marxian philosophy of ruin and of hate.

There is plenty of evidence at hand of this tendency towards State domination of the individual instead of State domination by the individual. In our scheme of things the individual has freely surrendered to the government certain defined authority necessary to the regulation of the public business, the maintenance of security and order and the preservation of private rights. He has not intended, however, to surrender to the state unlimited power to control his personal affairs, to make him virtuous by law, to deny him the privilege of running his own business or to impose upon him despotic rules and codes of conduct. The very exercise of such power is a confession that democracy is a failure. But despite his intent to be free the individual quite rapidly is being surrounded by an ever increasing and ever petulant body-guard of new laws, rules, regulations and restrictions imposed upon him from above for the good of his soul, his morals or his stomach.

We Americans today are in the midst of a wild orgy of lawmaking unparalleled in the history of the world. One year's output makes the Justinian code look like a pocket dictionary. The 48 state legislatures every two years add from 12,000 to 15,000 statutes to the already enormous mass of rules for the regulation of human conduct and affairs. Congress contributes another 6,000 during the same period. Each year our appellate courts hand down opinions covering 13,000 pages of closely printed matter, interpreting old and new laws. Municipalities and other local governing bodies turn out ordinances and decrees with the same facility with which Mr. Ford turns out flivvers. And we have boards and commissions, bureaus and departments, both local, state and Federal, which do little else but tell us what to do and how to do it. If there indeed be a Utopia in this world it must be a place where nobody is able to think up another law.

On every hand we have Government inspectors, Gov-

ernment bosses, Government investigators and Government snoopers prying into affairs which only a few years ago were considered private and personal. One of the causes for complaint against King George III as set forth in the Declaration of Independence was: "He has erected a multitude of new offices, and sent hither swarms of officers to harass our people and eat out their substance." The same condition exists today, and the same duty to protest also exists. President Saner of the American Bar Association said in a recent address that there are more than 3,400,000 persons employed by national, state and municipal governments, which means that every 12 workers in the United States supports one Government employee.

These conditions have led to an enormous increase in taxes during the last decade. Indeed the private ownership of property is threatened by the heavy burdens imposed by various governmental subdivisions. It is estimated that our local, state and national governmental activities cost the people last year \$7,500,000,000. About 75 per cent of these burdens are state and local. It is in this field where the tax hurts most and is most directly felt. But despite this the spending stampede does not seem to diminish. State taxes have risen from \$155,000,000 in 1903 to \$846,000,000 in 1922, and local taxes from \$706,000,000 in 1903 to \$3,301,000,000 in 1922. In 1903 the total of all taxes levied was 12.1 per cent of the national income. During the last three years our state debts have increased at the rate of \$800,000,000 a year. If this pace is kept up until 1944 our states will then owe \$20,000,000,000.

Have we reached the limit in these things, I wonder? I fear not. But I am quite certain that we have reached the limit which the frame of government we have will bear. Representative democracy was never

situation which they think they cannot otherwise control. Business "blocs" are nearly as ardent in their law seeking proclivities as are any other "blocs," classes or fractions.

The most dangerous present tendency toward complete socialization is the agitation being conducted for Government ownership of various industries and enterprises said to be effected with a public interest. If the railroads, public utilities, insurance, food handling and distribution and other similar enterprises are taken over by the State, the socialist knows that it will be only a short step from that situation to a general breakdown of democracy.

Government ownership of industry may be defined as the substitution of Government deficits for private profits. It is taxation for confiscation. It is the first and last step in the socialist seduction of democracy. It pretends to take away from those who have for the benefit of those who have not, but in reality it takes away from all to the injury of all. It is an attempt to subsidize mediocrity by penalizing genius, but actually the only effect of such a subsidy is to make mediocrity even more mediocre. It depresses the reproductive processes of capital, and then tries to revive them by a tax gland operation. It is destructive of wealth growth and productive of debt growth. It makes politics instead of business the national dividend producer. It promotes waste and demotes saving. And the whole tendency leads directly to the ultimate absorption by the State of all private property rights.

Such is the indictment of experience. The conspicuous Government failures in the world have been in public ownership. But despite this record there has developed in this country a very healthy agitation for the adoption of a system which hasn't worked anywhere else.

If radical agitators were entirely to blame for our orgy of lawmaking, our multiplicity of Government employes, high taxes and Government ownership propaganda we would not have far to look for a solution of our present day political problems. And the blame for these modern socialistic tendencies also cannot be rightfully placed entirely upon the foreigners who have come to us from lands where the State rules with a high hand and who therefore often support similar autocratic measures here because they don't know any better. The present situation is rather due to many large property owners and business men who are ardent capitalists when their property and their business is concerned, but who are inclined to be just as ardent socialists when the other fellow's property or business is concerned.

A Chicago suburban village, often referred to as a "millionaire's colony" maintains a municipal electric light plant. All of the surrounding communities patronize a successful and energetic private company which furnishes light and power at generally lower rates than does this lone municipal station. It is safe to assume that not one voter in a hundred in this village believes in Government ownership as a principle, or would for a moment favor the socialization of his own particular industry. But collectively these astute financiers, lawyers and business executives are furnishing the socialists with one of their best arguments.

In a prosperous Middle Western city of some 200,000 population, one of the leading advocates of a municipally owned traction line is a prosperous insurance agent. At the same time, however, he is bitterly opposing the socialists in their efforts to force the State into the workmen's compensation insurance business.

A lumberman in one of the Pacific Coast states is fearful that the state in which he lives will go into the business of manufacturing fruit boxes to be sold to the farmers at cost. But he was one of the original and strongest advocates of the state's going into the workmen's compensation insurance business to the exclusion of all private enterprise, and he also is said to be favorably impressed with the proposition to permit the state to monopolize the power industry, thinking he may get cheaper power for his mills.

A steel man who was convinced that the Government should not go into the business of making armor plate for battleships, would not be at all worried if the coal mines should be socialized, feeling that in such an event his coal supply would be safeguarded against strikes.

I have been told that certain farm implement manufacturers favored the obnoxious McNary-Haugen bill for the fixing of wheat prices and the entrance of the Government into the grain business generally because they thought it would give the farmers more money and enable them not only to buy more machinery but to pay their debts. These same men, however, have never looked with favor on the farm implement factory conducted at the Minnesota penitentiary and would of course object most strenuously if the Government took over their business.

These illustrations might be repeated almost indefinitely. If the Government ownership movement were confined to professional socialist, it still would be in the theory state of its development. It has grown to its present menacing proportions, however, because of the support it has received from the property owner and business man who sees some fancied advantage in the Government ownership and operation of some enterprise in which he is not personally engaged. Most of this support of socialist proposals is given unwittingly and without thought of the ultimate consequences.

This situation really is due to the fact that the com-



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munity of interest between the jeopardized enterprises to a large degree has been ignored. It is quite remarkable that even in the industries most threatened many of the leaders do not seem to care what becomes of the other fellow "in the same boat," provided they themselves keep a few feet ahead of the socialist sheriff with his writ of ejection.

And it also is quite remarkable that property owners and business men generally do not appreciate the fact that no single industry or business can be lifted out of the mass of privately conducted enterprise, endowed with the attributes of sovereignty, subsidized by taxation and operated by a political bureaucracy without every other business and industry feeling the baneful and depressing effect of such a procedure.

Business men who support Government ownership schemes in any way have no right to complain when their own business is likewise threatened. They have to a large degree brought it upon themselves, and have no logical ground upon which to make a protest. Capital invested in the railroads in insurance and in public utilities is just as sacred and is just as much deserving of a profit as is capital invested in most packing, grain handling and distribution, oil wells and steel making, and vice versa.

The allies did not win the World War until the separate armies were united under a single command. American business interests and property owners generally will not win the fight against the Government ownership movement, will not conquer the high tax menace and will not keep the Government in its proper field until their armies likewise are united under a single command. The railroads may win in their immediate contest, only to wake up the next morning and find themselves routed because the Government has taken over the insurance business and its vast railroad investments. And in the same way the insurance business may save itself only to find that many of its investments have been jeopardized by the socialization of other industries. It is too much to expect the people to take seriously protestations of one industry against Government ownership when it finds the leaders of that industry advocating the Government ownership of somebody else's business, or patronizing Government owned industry when they have the option of patronizing private enterprise.

The leaders in the fight against socialization in this country ought to be the farmers. They not only should be classed as business men, but they are our greatest land owning class. Many of them, however, have been made the dupes of socialist "carpet baggers" and little or no effort has been made by others to teach them economic truths. The high taxes of which they justly complain are due more than anything else to their support of communist legislation and their futile efforts to lift themselves up by their own bootstraps. I am, however, a firm believer in the fundamental soundness of American agriculture and I do not think the day far distant when those farmers who have been misled by socialist bunglers will realize that they have been the chief sufferers from their folly in believing that the law of supply and demand can be amended or set aside by Congress or a state legislature.

I am here as a representative of a large number of stock casualty insurance companies. We have in our direct service more than 25,000 agents scattered throughout the length and breadth of the land. We are ourselves face to face with the most vicious and unwarranted attacks on our property and our business by the advocates of state insurance monopolies.

I do no doubt, however, that there are many of these agents who ardently advocated the passage by Congress of the McNary-Haugen bill which proposed to socialize the grain handling and milling business, but I am equally certain that not one of these agents ever has advocated the Government ownership of the insurance business.

On the other hand, I do not doubt that there are members of the Grain Dealers National Association who at some time or other may have advocated and supported state insurance schemes, but I am equally certain that no member in good standing of this Association ever favored the McNary-Haugen bill which would have put him out of business.

To both of these groups, and to all others similarly situated, I wish to say that they ought to be just as much opposed to Government ownership of any other industrial enterprise as they are opposed to Government ownership of the enterprise in which they are engaged.

To promote the right kind of co-operation among the property owners of this country—and they constitute 90 per cent of the population—I have heretofore suggested the organization of a "Private Ownership League." I believe that such a move is feasible. The socialists have a "Public Ownership League," which is a heavily subsidized going concern. It unfortunately has among its membership many business men and property owners who have been lured by its fake altruistic appeals, or have been misled by prejudices or biased by selfishness, but I know of no member of this league who would care to have his own particular business socialized. Why, indeed, should not the property owning classes have a league to safeguard their interests against the malicious and insinuating propaganda of the socialist? If something like this is not done the public ownership movement may get beyond all control.

As I represent insurance I want to call your attention to some of the dangers to your business and to every

body's business through the development of state insurance schemes. I wonder how many of you are aware that 16 American states, Ohio included, are operating insurance funds for the writing of workmen's compensation insurance, and that two states—Massachusetts and Wisconsin—have experimented with life insurance. I venture to say that few realize the extent to which this experiment in socialization has been carried. And seven of these 16 states—Ohio again included—actually prohibit private companies from writing this type of insurance and require all employers of labor, arbitrarily and without option, to rely on state funds, politically administered, generally by union labor leaders, for their protection.

And it may well be added that these state fund schemes often have had the ardent support of business men who are quite adverse to the state taking over their business, but who figure that they may be able to save a little money if the state runs somebody else's business. To the same extent that insurance agents may have supported the McNary-Haugen bill grain dealers and millers may be supporting state insurance schemes. And to that extent neither insurance men or grain dealers are justified in complaining if the Government confiscates their own business.

If this policy of the state entering the insurance business is carried out as the socialists hope it will be, it is only a question of time before there will be an active agitation for state fire and life insurance funds. Already there is a widespread manufacturer demand for compulsory automobile insurance, which if successful eventually means another fund subsidized by taxation.

I am personally of the opinion that there is a greater immediate danger to the institution of private property from the socialization of insurance than from the socialization of any other business. Modern life has



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become so completely immersed in the theory and practice of insurance that there are few contingencies affecting human relationships which are free from its impress. Of all our institutions it is perhaps the most universal, reaching in its wide sweep all classes of people, all industries and all ventures. Eliminate insurance as a factor in business and our whole well knit industrial system would collapse. Confiscate it in the name of the state and the communist millennium would be at hand. Such an absorption would leave all other private enterprise tottering on the brink of public ownership.

There is still another phase of this subject. If the state confiscates insurance the \$11,000,000,000 of insurance assets will become easy prey for spoilsmen. They ultimately will be seized and will be used for political speculation, for the purpose of gaining control of the property which they represent and for the subsidizing of blocs, classes and parties. Imagine, if you can, the turning over to a socialized state the investments of insurance, and also the power each year to invest reserve fund accretions aggregating perhaps \$5,000,000,000. It is this "money in sight" which the demagogues are looking for, and the socialists are back of them because they comprehend that as soon as the state is in control of the insurance wealth of the nation they will be in a position to control through this wealth nearly every other individualistic enterprise.

The danger is precise and certain. It is time that we wake up and meet it. If your business is socialized the business which I represent will be the first to suffer. If the business which I represent is socialized, your business will be one of the first to feel the socialist heel upon your business neck. Surely there is ground here for a sympathetic understanding of our common problems!

It will be found that the fight which is being waged by the believers in private property rights against the Government ownership movement consists for the most

part of a series of unrelated campaigns and in these I think you will find that an important element in human psychology has been overlooked. We ought to be all aware, but apparently we are not, that the common method of dealing with errors of opinion, namely by controversy, is not successful. Its failure is well expressed in the old saying:

"A man convinced against his will,
Is of the same opinion still."

It is difficult to change fixed opinions by merely disproving them. The average man who has one or more Government ownership hobbies is quite assured in his own mind that he is right, and is ready to believe that any attack made on that opinion is due to the other fellow's prejudice or his selfish interest in the subject matter. In order to successfully change opinions of this type it is necessary to divert the attention of the holder of that opinion into new channels. Once diverted to something new, an opinion is formulated concerning the new situation or condition which proves inconsistent with the old opinion and ultimately is substituted for it. In other words, a flanking movement is generally a more effective maneuver than a frontal attack. In most arguments it is a good practice not to attempt to directly refute an idea held by the person to be convinced, but to put forward a new idea, get that accepted and then demonstrate that it leads to a different conclusion from the old one. In law, a plea in confession and avoidance often accomplishes more than a general denial.

Let this method be applied to the public ownership argument. Instead of trying to disprove fixed opinions held as to the efficacy and social benefits of Government ownership schemes, which only too often have their origin in personal, group, or class prejudices, urge the holders of those opinions to join in the fight to maintain the institution of private property. Attention then will be diverted to a new phase of the question, an opinion favorable generally to private property rights will be formulated, and this later will be found so inconsistent with any advocacy of state insurance that the strong opinion in favor of the latter will ultimately be submerged by the new idea.

This is rational psychology, but I do not think that the principle ever has been applied to the situation I have discussed. It is the main reason, however, for an advocacy of a more general issue in this campaign and for the subordination of the specific issues to it, for it is much easier to create a public opinion favorable to private property rights than it is to create a public opinion favorable to privately owned insurance or privately owned mills and elevators. But as soon as private rights in property becomes the main issue, support of these rights in specific instances will follow naturally. The greater issue will submerge the lesser. This always happens and will happen again.

In the free silver campaign of 1896 few people were converted to sound money through frontal attacks. The turning movement, the diversion of attention, was accomplished by the "full dinner pail" slogan, and that really was the greater issue.

In conclusion let me say to you with all the sincerity I possess that in my judgment the great test of democracy is at hand. Never since the golden days of the Athenian republic has democracy had such a chance as it has today to justify its place in the world. The larger part of the world indeed is offered to it, and the question is, can it take and keep the prize.

If it relies upon mere numbers, if the many use their power to despoil the few, if democracy degenerates into a tyranny of the majority, if it yields to the delusion that wealth which is stolen will continue to be created, if it teaches citizens to seek from the state the support which they have made no serious effort to gain for themselves, then the great experiment with its great expectations again will fail of attainment or realization, and the hopes of the men of today will go the way of the futile hopes of the men of yesterday.

But if democracy strengthens the character of the citizen while maintaining his natural rights, if it decrees that there can be no rights without corresponding duties, no wealth without industry, no liberty without order, no equality of opportunity except that which is based on the inequality of talents, then the citizen will have his chance and with the aid of an abundant hope and ample time in which to test his experience will lay the foundation of the new democracy in which *Will* and not *Force* will be the fundamental concept.

The President: Gentlemen of the convention, I am sure we are all agreed that we have listened to two splendid addresses this morning. Mr. Ives, we are grateful to you for your contribution to our program.

At this time we will take up and resume consideration of the trade rules which we were compelled to interrupt last evening. This was made a matter of special order for today's business, and we will now give that matter consideration. Mr. Mason will read for your information a rule submitted last evening, and which was tabled, in order that we may give an opportunity to take this matter from the table, if you so desire.

Mr. Mason: The rules committee has submitted a substitute for Rule No. 32 which reads as follows: (Reads substitute, except paragraph D.)

Now the rule was tabled yesterday afternoon on account of section "D." The Rules Committee submits the substitute with the entire elimination of

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section "D," just rule that out entirely, and I would like to have a motion that we reconsider the rule with the elimination of section "D."

Mr. Green: Mr. President, I make a motion that Rule 32 as prepared by the committee, eliminating section "D," be adopted.

The President: The proper motion would be to take it from the table, I believe.

Mr. Green: Well, I make the motion that we take it from the table.

Mr. Goodrich: This is a different rule from that tabled. It eliminates section "D," so it can be considered as a new rule.

The President: Well, perhaps you are right. It was tabled as a whole, and you make a motion that we adopt it as now submitted. It will therefore be considered as a new motion.

Mr. Booth: I second the motion.

(The question being called for, the motion was then put and carried.)

Mr. Mason: At the Des Moines convention last year substitutes for Rule No. 6 and Rule No. 7 were offered by Chairman Sturtevant. The convention did not accept these substitutes. Mr. Sturtevant again offers them to the members for discussion. The substitutes are as follows:

Rule 6. Billing instructions and Breach of Contract by the Buyer: (a) Unless otherwise agreed the seller shall have the option of making shipment at any time during the life of the contract.

(b) It shall be the duty of the buyer, on contract for shipment, within seven days or less, to furnish billing instructions to reach the seller on the day the contract is made; and on contracts for shipment within eight days or longer, to reach the seller within three days after the contract is made, and on contracts for deferred shipment, to reach the seller not later than the first day of the specified shipping time.

(c) If the buyer does not furnish billing instructions as provided in section (b), the seller may demand them by telegraph or mail and if, after such demand, the buyer does not furnish them to reach the seller by noon of the day following the receipt of such demand, or if in the absence of such demand from the seller the buyer does not furnish the said instructions to reach the seller within the life of the contract, the buyer shall be considered to have breached the contract.

(d) If the buyer does not furnish billing instructions as provided in section (b), but does furnish them as provided in section (c), the seller shall make shipment at his option within the period of time specified in the contract, figuring from the date the billing instructions are received.

(e) In case of breach of contract by the buyer as provided herein or otherwise, the seller shall have the right:

(1) To resell the grain for the buyer's account; the buyer to pay the seller the actual loss; or

(2) To retain the grain, the buyer to pay the seller the difference between the contract and the market price if lower, and actual expenses incurred; or

(3) To cancel the contract or any unshipped portion thereof.

(f) If the seller claims breach of contract, it shall be his duty to notify the buyer by letter or telegram to reach the buyer by noon of the day following the day upon which he has notice that the contract is breached, and to set forth in such notice his selection of the options provided in section (e). If the seller fails to so notify the buyer the contract shall be considered canceled without prejudice to either party.

Rule 7. Incomplete shipments and breach of contract by the seller: (a) If the seller does not make shipment within contract time, it shall be his duty to so notify the buyer by letter or telegram to reach the buyer by noon of the day following the expiration of the contract. In the absence of such voluntary notice the buyer may, on the last day of the contract or later, demand advice from the seller as to whether the contract has been filled, and in such case, unless advice is received by the buyer by noon of the day following the receipt of such demand by the seller that shipment has been made in contract time, the seller shall be considered to have breached the contract.

(b) In case of breach of contract by the seller, as provided herein or otherwise, the buyer shall have the right:

(1) To buy in the grain for the seller's account; the seller to pay the buyer the actual loss; or

(2) To collect from the seller the difference between the contract and the market price, if higher, and actual expenses incurred; or

(3) To cancel any unshipped part of the contract.

(c) If the buyer claims a breach of contract, it shall be his duty to notify the seller by letter or telegram before noon of the day following the day upon which he has notice that the contract is breached, and to set forth in such notice his selection of the options provided in section (b). If the buyer fails to so notify the seller, the contract shall be considered canceled without prejudice to either party.

I understand similar rules to Mr. Sturtevant's proposed Rules 6 and 7 were put in for mill and feed stuffs, and it was my intention to ask the chairman of that committee how they had worked out during the past year, as that would to a great extent affect our opinion of how they would work out in grain.

Mr. MacDonald: Section 15 has made it impossible for Boston to adopt the new rules of the Feed Distributors Association, and they are having a meeting now in which they are trying to iron out some of the difficulties. Section 15 is too long, a page and a half of solid printed matter on a sheet as big as this.

Mr. Mason: I might say that it was the chairman's intent to rewrite Rules 6 and 7, which at present do not seem to provide adequate penalty for not furnishing billing instructions, so that they would be clear, but it is a very important matter and was so considered by Chairman Sturtevant, who is unable to be present. He did not feel the imperative necessity of forcing this before the convention, but wanted an opportunity to talk for these rules, and with the rather light attendance this morning

and the importance of these rules, and our present rule has not worked to disadvantage the past year, and so I don't know that I can strongly recommend it, unless there is a practically unanimous feeling to see them adopted if there is unanimous feeling, for the adoption of these rules, that we take action this year. If there is any such feeling, I would be very glad to take action. I think Mr. Sturtevant feels the same way. He said to me: "I would like to see them adopted if there is unanimous feeling, but I don't feel that it is necessary to force them this year."

The President: This is an important matter, if you will permit the Chair to speak on this subject just a moment. You will recall at the Des Moines convention we had considerable discussion and debate. A week or so ago I reread the debate on that subject and my idea of it, after re-reading it, was that the present rule so nearly covered the necessities of the case that there was no great pressure to rewrite the rule, and I would regret to see as important rules as 6 and 7 revised without a more representative gathering. I would entertain a motion, therefore, that this be recommitted for further consideration by the Committee.

Mr. Green: I make a motion that the matter be referred back to the Trade Rules Committee for further consideration.

(Motion duly seconded, and carried.)

Mr. Mason: May I ask the members to be prepared to vote on that next year? I know Mr. Sturtevant has given them a great deal of thought. If you have any suggestions, write to the Trade Rules Committee and ask them to consider your suggestions; and take this sheet home with you and go over it and, if you have objections, write Mr. Sturtevant.



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vant and let him know what they are, and then come prepared next year to vote on it.

Mr. Rumsey: I would like to know whether it would be feasible to send these proposed changes in trade rules to the members before the convention, so that we might have an opportunity to reach our conclusions, those of us that are interested, and come prepared to discuss them.

The President: You probably are aware that these rules were all published in a recent issue of *Who Is Who*. You would figure that it would be an additional advantage to send them under a separate cover in some way?

Mr. Rumsey: Yes, if not too expensive, because a person will open a two-cent envelope and read what is in it, but he might not study something that is in a magazine.

The President: We will offer the suggestion to the Trade Rules Committee for the coming year. I think it is entirely in order, for we certainly want these rules studied before they come to us for consideration on the convention floor.

Mr. Green: May I suggest to the Trade Rules Committee that in future in submitting any changes in the rules, they always give the convention the benefit of the rule as it now stands and how it will read if the suggestion is adopted? It is very confusing if you don't have it all together.

Mr. Mason: I had supposed, Mr. Green, that the sheets were passed out giving the present rule and the proposed amendment. They are all here and were passed out yesterday.

Mr. Green: I have one myself, but I know a lot of them that haven't. And in reading it you don't give us the benefit of the whole thing as a rule.

Mr. Mason: The only other thing that the Rules Committee want to bring before the convention is, we would like to hear from the handlers—the chairman of the Trade Rules Committee would like to hear—of kafir corn, sorghum, buckwheat, or feterita, if they have any proposed changes to make in mini-

mum loading or believe that the minimum should be different from the minimum of shelled corn, etc. If they have anything definite, write to the Trade Rules Committee what they consider the proper minimum should be on buckwheat, feterita, and, in fact, all of the sorghums. One more matter that came up, and I don't want to bring it before the convention except to ask them to write us, or Mr. Sturtevant, the chairman, if they have any suggestions. We have had a number of letters on what shall constitute scattered shipments, and we didn't believe we could work anything up. We have others on what should constitute an instant reply by telegram. If you members want it presented, write the chairman, and it will be presented at the next meeting.

Mr. MacDonald: Is it not proposed to take some action on Rule 35? And I should like also to suggest a change in that Rule 38, which is a small one. I will not press either, if there is opposition.

Mr. Mason: I had a communication just before I left Sioux City stating that 24 hours should not include Sundays, as when 24 hours is mentioned in a rule which is to give notice 24 hours after arrival or something of that sort; and I think Mr. MacDonald is correct, and the Committee suggests that Rule 35 be changed to read, 24 hours *not* including Sundays or legal holidays, when used in the rules.

The President: I would like to speak on that point, because it has come up before in my handling of the trade rules' material. The point raised with regard to that rule is this: Legal holidays mean one thing in one state and something else in another state. This is a national organization, and I recall there have been arbitration cases where the committees were very much confused because one man on one side said "that is a holiday in Illinois," and the other said "it isn't a holiday in New York." And we had trouble over the adjustment of that, and in order to get away from that we just simply put up the warning sign, 24 hours shall mean Sundays and legal holidays, and you will have to make your contract accordingly. That is the reason for the rule being there. If the arbitration committees have anything to say on the subject, I think they will know just what they have been up against in this connection.

Mr. MacDonald: I don't want to do all the talking here, but I wrote Mr. Sturtevant giving my ideas because I couldn't conceive of what value to any grain man the 24 hours, being a holiday time or Sunday, might be, and I came to the conclusion that the word "not" had been left out. Mr. Sturtevant had no argument for it. I might read from his letter: "Also note what you have to say with reference to 24 hours in rules 35 and 38. This certainly should be corrected." My recollection is that you prepared 38 yourself and I would suggest that it would be proper to offer an amendment to Section "B," reading "not including Sundays or legal holidays." Also to provide for an amendment making the rule after that notice, instead of after arrival. That is, in Rule 38. Can anybody conceive why a 24-hour notice should include Sunday or a holiday? The matter of legal holidays could be determined when the question arises.

A Member: Why not make it national holidays?

Mr. MacDonald: Well, that would be all right, and suit me.

Mr. Green: Mr. President, the thought is a very good one, and I make a motion that that rule should be changed to read, the term "24 hours" in these rules shall be construed to mean 24 hours *not* including Sundays or national holidays. There is a difference between legal and national holidays. I make that motion. (Motion duly seconded.)

The President: The motion before us is that this Rule 35 be modified to read, "not including Sundays or national holidays." Now let me make this suggestion to you. We are but a few in members here this morning. This rule will affect a number of rules where the term "24 hours" is incorporated. It is rather dangerous to make a change in a rule without knowing just where it is going to hit all along the line. I just put that out as a suggestion before calling for a vote.

A Member: Mr. President, may I ask, what are the national holidays?

The President: Well, how about Labor Day?

Mr. Green: Well, that is not a national holiday.

The President: How about Columbus Day? I think you will find even as to what are so-called national holidays is very uncertain.

The Secretary: Good Friday in the South is generally observed, yet it isn't a national holiday.

Mr. Mason: May I make this suggestion? That letter from Mr. MacDonald, the Rules Committee haven't been able to go into that to see how it might affect other rules. It has not been OK'd by the Rules Committee. Not that we are against it, but it simply hasn't been given consideration, and when you are considering it today, there is no report of the Rules Committee favoring that change. It is simply put to you as the recommendation of a member.

Mr. Green: I don't really see any real urge for it. I have never seen a case where the question was presented to an arbitration or the appeals committee.

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FORTY-THIRD YEAR

The President: Do you wish to withdraw your motion?

Mr. Green: I am perfectly willing to do so, yes, sir.

The President: But you would like to have the Committee consider it next year?

Mr. Green: Well, I wouldn't even go that far.

Mr. MacDonald: I don't want to crowd an issue on this convention, but I can't conceive an objection to using "not" as far as the 24 hours is concerned. Twenty-four hours with Sunday time or holiday time are of no avail to any man in a business transaction.

Mr. Green: Don't you think that common sense would tell him that?

Mr. MacDonald: It is, of course, perfectly possible for a fellow sharply disposed to lash a fellow to the mast by serving him with a notice up to two o'clock on Saturday, and, Sunday intervening under these rules, he is subject to a penalty.

A Member: If it applied only to notification it would be perfectly proper, but it applies to 24 hours in all the rules, and it might be very serious with reference to bills of lading and that sort of thing.

The President: There is no motion before the house, and, if you do not care to make any further motion, I think this better be left in the hands of the Committee for further study, and we will assume that will be done and it can be brought up again next year if it is thought advisable.

Mr. Mason: There is nothing further, except that Mr. MacDonald wants to make a suggestion as to Rule 38.

Mr. MacDonald: I will simply leave it as a suggestion, regarding Rule 38-B, which has to do with the matter of notice. The point that is not quite right for New England yet is that the rule as it reads at present says: "It shall be the duty of the buyer to file diversion orders with the carrier within 24 hours after the arrival of the car at diversion point." It should be 24 hours after notice of arrival. Mr. Mason would probably object to that, and some others might, as well. I don't know. I am not going to make any motion on it. I simply suggest that the Rules Committee give it some serious thought, for later report.

Mr. Mason: The Rules Committee will be glad to give it full consideration. We happen to be shippers, and we consider that the burden of the buyer, to be notified within 24 hours. We have no means of making the railroad notify the buyer of the grain, and we consider that after we have delivered the grain to the point at which it is billed, that it is his duty to secure a notice of arrival within reasonable time. I don't think anything can be done on that rule this year, but we will give it consideration. If there is nothing further, that concludes the report of the Rules Committee.

Mr. Manning: Isn't it a fact that there is no arrival until notice of arrival is filed? Wouldn't that cover your suggestion?

Mr. Green: Legally there isn't any. Under the demurrage rules there isn't.

Mr. Mason: Mr. MacDonald's suggestion is, until the buyer is notified. My claim is that they might send a postal card, which is mislaid in the mail, and it might take three days to be notified, and I wouldn't want to assume the responsibility.

Mr. Manning: If the carrier has served its legal notice, until then there is no arrival. When he serves his legal notice the 24 hours starts. I think that interpretation ought to take care of the suggestion.

Mr. MacDonald: It is the custom at some diverting stations to notify by post card. If mailed today, I would have the card in the mail the next morning. At most of the points the agent at the destination point calls the Boston office, so that the notice is promptly given. I might be perfectly willing and ready to file the diversion orders within the 24 hours, but you have my condition guaranty, and, if I don't know that it was on track then, I don't know that it had arrived, then I might lose my guaranty under this rule.

A Member: Under that condition, wouldn't the claim be filed with the carrier? Why should a western shipper be responsible?

Mr. Mason: Well, the Rules Committee will be glad to consider it fully.

The President: We wish to thank Mr. Mason and the members of the Trade Rules Committee for their work in this matter. I know that it takes some time, and it is a service to the Association which we all recognize as being very important. The suggestions, of course, are a matter of record in the proceedings, and the Trade Rules Committee will have them before them for consideration during the coming year.

At this time I will call on the vice-president, Mr. Horner, chairman of the Committee on Rejected Applications, for his report.

Mr. Horner read his report, as follows:

REPORT OF COMMITTEE ON REJECTED APPLICATIONS

DURING the past year there has been before this Committee the application of two firms for membership in the Grain Dealers National Association.

Our Committee, after what they considered sufficient investigation, recommended to the Board of

Directors that both applications be rejected for the reason that their trade practices and standing were not of the standard which would make them desirable members of this Association.

The President: At this time I will ask the secretary to read a communication which we received from Mr. W. A. Wheeler, in charge of the Hay, Feed and Seed Division of the Bureau of Agricultural Economics at Washington. It is in relation to a proposed or temporary grading of soy beans. We have felt that it was desirable always to co-operate with the Bureau of Agricultural Economics in matters relating to grades of grain which were of interest to our Association. This will take but a moment, and it may require some action, as you see fit, and we would like to have you hear Mr. Wheeler's proposal. The secretary, being busy, I will read the communication myself.

While at Indianapolis last week our J. E. Barr called on C. A. Russell, grain supervisor, and S. A. Holder, chief grain inspector of the Indianapolis Board of Trade, and was informed by them that they expected to be called upon to sample and inspect a large number of cars of soy beans this fall. We have been making studies and conducting investigations the past year leading up to grades for soy beans. Mr. Russell was very much interested to know if it were possible for us to make tentative recommendation of grades for their use this year. He stated that his office and that of the chief inspector who would be called upon to sample and inspect soy beans would be in somewhat of an embarrassing position and would be subjected to criticism for not having something definite on which to base the quality of the beans inspected by them. In short, that their inspections are going to mean very little without definite standards.

It was Mr. Russell's suggestion based on his broad experience in the grain business and as a Federal grain supervisor that the only way to get tentative grades in effect in the short time at our disposal before the crop begins to move was to interest if possible the Grain Dealers National Association in the matter and have it discussed briefly at the coming

society, to this proposition will be awaited with interest.

We received a telegram yesterday evening from Mr. Wheeler, asking that this letter be read. The telegram says:

F. E. Watkins, Grain Dealers National Assn. Convention, Hotel Gibson, Cincinnati, Ohio.

Reference your letter September nineteenth regarding soy beans grades our letter September sixteenth contains essential information and we suggest using it to introduce subject for discussion. If demand warrants we can present by October first suggested grades for use by merchant exchanges, boards of trade or other organizations in their inspection of soy beans this year such grades to be preliminary to recommending United States Grades probably next year.

W. A. Wheeler.

The matter is now before you for such action as you choose to take. Perhaps there is nobody in the room interested in soy beans. It is quite likely. You may be aware that around central Illinois there is quite an increased acreage in soy beans each year, and it has now become a matter of commercial shipments. They are now loading them out in carloads and in time this may be of interest to a limited number of our membership. We would like to dispose of the matter in some manner.

Mr. Green: I don't see that any harm would come from asking them to incorporate some tentative rules. I make a motion that we express ourselves in favor of their doing so, if it would help any part of our membership. If there is nobody here interested in it, we will act for them. They would put it under the same Federal inspectors. There won't be any further employes necessary. (Motion seconded.)

The President: Why, that is what I would infer. This is not official yet. It has been moved and seconded that we recommend to the Department that they do put and promulgate tentative grades for soy beans.

(Calls for question. Motion carried.)

The President: We will so notify the Department. This will conclude our program for the morning session. We have an important program this afternoon. Please be on hand promptly. We will now adjourn until 1:30.



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meeting of the Association at Cincinnati, September 22. Such a discussion would indicate whether or not the members of the Association desire soy bean grades and if so we would immediately get together a suggested form of grades based on the data collected during the past year and present it to the Indianapolis Board of Trade and other agencies desiring it. This could be done by October 1 and would give them 30 days in which to announce the adoption of the grades before trading in this commodity began and before the new crop commenced to move. These grades would not be put out as U. S. Grades and would not have any official status. They would be in line with our present ideas of what soy bean grades should include and would be preliminary to the promulgation of tentative U. S. Grades in the near future. The use of these suggested grades the coming season would enable the trade to offer more constructive suggestions as to what the final U. S. Grades for soy beans should include and would greatly expedite our research work in this connection.

We understand that a number of the members of your Association have elevators throughout Indiana, Ohio and Illinois, and possibly Missouri and Iowa, from which states most of the soy beans will be shipped and in which the grain elevators will be called upon to handle the soy beans in much the same manner as they now handle grain. It is thought that they will feel a deep interest in having some system of grades put into effect as soon as practicable. It will be appreciated, therefore, if you will give this matter consideration before the meeting of your Association and let us know whether or not you think it advisable to bring it up at this time. We do not necessarily mean that a representative of this office would be present at the meeting to present the subject but suggest that this letter might be read and the proposition be discussed among your members to ascertain whether or not they were sufficiently interested in it at this time to request us to make available to them the data and suggested grades as outlined above.

Should action taken at the meeting warrant it, we suggest that you wire us details so that we may proceed immediately to carry out this plan. We believe that we can give you suggested soy bean grades that will facilitate trading in this commodity and that will be an equitable basis of quality for the purpose of inspection by any organization desiring it. Your personal reaction, as well as that of your As-

TUESDAY AFTERNOON SESSION

THE afternoon session was called to order at 1:30 by the President.

The President: We have with us today a gentleman from my home town—

Mr. Green: From Kentucky.

The President: Cleveland now,—a gentleman who is connected with the railroad industry and in such a way that I am sure he will bring a message of particular interest to you. The whole railroad world, in fact the whole financial and industrial world, so far as America is concerned, has been very much interested of late in the operations of the Van Sweringen interests, and I know that our speaker has had a primary part in furthering these mergers and in working out the recent idea in railroad circles of the voluntary merging of railroad transportation lines. Mr. W. A. Colston, Vice-president of the New York, Chicago and St. Louis Railroad, will now address you.

ADDRESS OF W. A. COLSTON

HERE are some of our good political friends who are going about the country nowadays and who, having failed to do anything in public life to justify their existence are seeking to find something to do to get themselves another job by undertaking the nationalization of the grain business and of the railroads. They also undertake to do the same for the banking interests, I understand, but I am going to limit myself to those things that I know a little about or ought to know a little about. I don't know much about the grain business, but I do know enough about any kind of business to think that you gentlemen that have been in it all your lives know more about it than any Government official, and therefore I don't think we need defend against nationalizing the grain business. I have some slight idea about the railroad business, and I suspect that from 33 years' experience in the railroad business I possibly may claim to know something about it, or at least I ought to. But I have no worry about nationalizing the railroad business, because I believe that the grain men and all other business men feel the same way about it that I have just expressed myself as feeling about the nationalization of the grain business. Those who have grown up in it, given their lives to it, generally know more than the politicians do about running things. So I don't think you need to get into very much of a fright about what Magnus Johnson and these other gentlemen are going to do. We are not going to worry about it. As far as our part of it is concerned, the railroads.—I think the best way to do it is to sit down and talk about it, just as we would about any other business matter. Not get mad, not call each other names, but just give plain facts and illustrations, and, after the argument is over, if it is better for the Government to take over the railroads, let them take them over. If it is better for

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those who operate the railroads to continue, let them operate them. But let's not get mad about it.

Now, in discussing this thing I am going to give one homely illustration and a few facts, and then quit. There may be much to say on the subject, but it is all of one kind. The illustration is this: A question came up as to whether I was from Kentucky or Ohio, Louisville or Cleveland. I am proud of both places. I am mighty glad that I am a Clevelander now, and I am proud of the grand old city. I am proud that I spent a long time in Kentucky—born and raised there and brought up with a great old railroad there, the L. & N. Railroad. I worked 20 years for it, served under Hamilton H. Smith, the nestor of railroading in the South. I think the best part of my experience was under that man. There was a railroad that always stood up for its rights, a square deal, hit hard, and played fair. And therefore my illustration, relating back to the good old hard hitting L. & N. days, will stand us in good stead for the illustration of the proposition of taking over and regulating all of the railroads, because I think that old road is typical to the South, as the Van Sweringen lines to the North—straight, plain, hard hitting, not afraid to say what they want to do, and laying all the cards on the table and going ahead, being willing to be regulated, but not wanting to be unduly meddled with.

This illustration came about down in my old home state of Kentucky, out there in Oldham County, LaGrange. Old Uncle Henry Miller out there had a mule that had an awful reputation in the county, having been left to him by his mistress just after the war was over, and he was driving this old mule, and he could get lots of work out of him. I went out to Aunt Betsey's one day, and I saw Uncle Henry out in the field driving the mule. He says, "Giddup thar. You knows how to go straight dis way. Giddup thar, Ellen." I says, "That's a funny name for a mule. What's the reason you call that mule Ellen?" "Well," he says, "that blame mule gets more cussin' an' more hard names than anything else in the country, an' that's the reason I call her Ellen-N, becos she gets more cussin' and goes along and does just as she pleases in spite of the name." "Well," I said, "Uncle Henry, if she does that way, what good is she to you?" "Oh, I get's along with her all right. I knows how to handle her. They mistreated this mule and made her balky, but I can't throw the mule away. I got to plow this field. An' the rest of them didn't know how to manage her, but I knows how to manage her, and all I does is let her think she has her own way and let her go along, and she plows more for me than anybody else, becos I goes along an' cooperates with her and keeps her in the furrow." Now that is the way I think the United States will have to do with the railroads. They can't manage us; that is, the politicians can't manage us, but our lawmakers have the right to regulate us.

Now, no sane man will object to regulation, just as no sane grain man will object to the regulation of the grain business. But there is a difference between regulating and managing. You don't expect a referee in a prize fight to go in there and tell you when to hit each lick. You want to see that they strike fairly, but you don't want to fight by numbers, have him call this number to indicate striking a certain blow, and number so and so another, but you want to see that the game is played fair and square and you want to see the fighters do the rest of it.

Now, maybe we ought not to get so sore at these folks that are cussing the railroads. Maybe we are responsible for some of it. And therefore let's admit that we ought to get down and discuss it coolly and not get hot under the collar. We all know that when railroads started in this country everybody wanted them; everybody thought they were a good thing; they made this country. I believe the first railroad was built about 1828, and for about 40 years we had a Golden Age in this country, and along about 1869, or 40 years afterwards, we had railroads from the Atlantic to the Pacific. That was the Golden Age of railroads. Nobody objected to the heartless corporations, nobody tried to throttle them, or to put them out of business. Everybody wanted them. They recognized them as a national need, and that is what developed the country. What was the country at the end of 40 years compared with what it was at the beginning of that 40 year period? And our country grew as it never has grown at any other time in its existence.

But there are scoundrels in every trade. It wasn't the railroad men that were operating the railroads, but it was those that came in and saw an opportunity to prey on the cupidity of the people, on something besides the railroad business. All of us, of course, have a little leaning toward the green and gold colored certificates that are put out as stocks. It has nothing to do with the operation of the railroads or the running of the railroads, the real policy of the railroads, but it is just a sort of a lottery ticket that somebody could run. And the sharks got into the game and they sold these tickets—they were stamped \$100 when they weren't worth 30 cents, and along there we had a period of exploitation for say about 20 years more, up to 1887, say. People got sore at those fellows and blamed it on the railroads. There had to be a goat, and the railroad companies were the goats. And the people arose in their might and

passed the Interstate Commerce Act, in '87, and then we got into a period of punishment and repression. We went along from 1887 for about 30 years, it seems to round out in decades usually—and then we got into the great war.

What did they do? They pulled the railroads down, said "you can't do this, and you can't do that; you can't consolidate; you can't operate your business as other people do". They weren't doing any good. The war came on and they needed the railroads again mighty bad, and they found out that they couldn't restrict the railroads, because when Uncle Sam came over himself and took them he found that he had to operate them as a harmonious whole, as a transportation system for this country, that what the country needed wasn't punishment of these people but a national transportation system, adequate for the needs of a great country. And they abolished the ideas of not having combinations, and the Interstate Commerce Commission itself said that the first thing they had to propose to Congress after the war, in fact during the war, was the unification of the facilities of the railroads of this country so that they might be adequate to the necessities they have to meet. And in its annual report for 1918, and again in 1919, the Interstate Commerce Commission said to Congress, if private ownership or private operation of railroads is to survive, you must remove the restrictions on consolidations and let them get together under proper regulation. That was good sound sense.

That didn't meet the demand of the railroads on the one hand, who said you must let us do as we please, and it didn't meet the views of the extremist on the other hand who said, you could do anything just so long as they could have it done by them. It is not what the railroads want primarily, not what the users want primarily; the primary thing is what

than we had the year before. Now, if two people would come to you with those records, to which one would you give the job? That is the way I think we should meet it. Just say, those are the facts. Now which one will you give the job?

The way to test a business that is required to make public its reports is to look at its reports. Let's see what these law-makers, these public officials that would be managing us if we had government ownership have done. Do you know that in the year 1923, the fiscal year ended June 30, 1923, the fiscal year 25 years after the Spanish war, 1898 being the year of the Spanish war, you paid (although during 1898 we were in the midst of the war) at the close of the fiscal year, for in 1923, we were four or five years after the war, we paid in taxes to the United States Government between seven and eight times as much as we did 25 years ago. During the year of the Spanish war, 1898, the entire expense of the United States Government, including the rivers and harbors pork barrel, including pensions, including everything, even the interest on the public debt, but not including the payments on the public debt itself, because I am not speaking of reducing capital charges—the entire expense of the United States Government for the year 1898 was \$443,499,000. In the year 1923 the same expenses amounted to \$3,344,790,000. Most of us in this room are old enough to remember how the country cried out in astonishment at the first billion dollar Congress. Now last year, four or five years after the war, we spent \$3,344,700,000 for running the Federal Government.

Now, without going into details, let us consider this question of taking over the railroads. If they took over the railroads they would start an independent office or bureau to run the railroads. Out of that amount, there was paid, as reported by the Secretary of the Treasury, for independent offices and bureaus, that is, outside of Congress, outside of the courts, outside of the President, outside of the regular departments of the Government, to independent offices and bureaus, gotten up because something should be regulated—the amount spent for those purposes was \$589,000,000—over \$100,000,000 more than the expense of running the Government during the year of the Spanish war. Now those are things that we would have to face if we had Government ownership of railroads. Do we want that sort of thing? Again I say when you go before the public, to the nation, the owners of the railroads and the politicians, and each of them say, "We want to run the railroads", that the people should say, "Show your credentials. What have you done?"

Well, the railroads have shown what was done. I am going to show you what the other fellows did in their business, running the Government. Now that increase in taxation you are paying. How many miles of road, or corresponding to how many miles of road, did they operate? The same country in area in 1898. What did it produce? At the end of 25 years they produced 15 per cent more wheat than they did in the beginning, and they charged you seven to eight times the amount of taxes. That is what Government management does.

Now they talk about the enormous dividends that the roads pay. Let's take a 10-year record. In 1912, Class 1 railroads paid \$127,700,000 in taxes and \$332,300,000 in dividends, 10 years ago. Last year they paid \$336,400,000 in taxes, more than they paid dividends 10 years ago, and they paid less dividends last year than they paid taxes and less dividends by 50 millions than they paid 10 years ago. They paid \$280,000,000 in dividends last year. This year it is estimated the taxes will be \$366,000,000. That is a million dollars a day, to get it down where you and I can think about it. If we had Government ownership of railroads, who is going to pay those taxes? Oh, they will divide it up; nobody has to pay it out of his own pocket, and it won't be noticed much anyhow. But the straw that breaks the camel's back will come finally.

Do you realize how the total tax bill in this country has gone up because of the activities of those people who want to take over the grain business and the railroad business? Last year, and what I am giving you are U. S. Census figures, the tax bill of the country was \$7,428,749,000. In round figures, seven billions and a half. That was a tax of \$68.23 for every man, woman and child in the United States. Now, what does that mean, getting down again to a figure that we can appreciate, for I confess I can't think in millions or billions. The average increase in national wealth for the last 10 years, including in the increase not merely increase in units but increase in price because of the inflation of prices that we have had, including that, the total increase in national wealth in 10 years, the average has been about thirteen and a half billion. The total increase in our national wealth, due to the activities of all our 110,000,000 men, women and children, thirteen and one-half billion, and we paid seven and a half of it to the tax gatherer, and yet they want to increase the number of jobs and take over the railroads.

At the Michigan Bankers Association meeting last year carefully prepared statistics showed that there were about 2,200,000 tax gatherers in the United States, those engaged in collecting and spending the taxes. At five people to the wage earner, which is the usual calculation of a family, that is 11,000,000



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engaged in collecting and spending our taxes and not in productive work. One person in every 10 in the United States is a drone. I don't say that with any disrespect to our public officials, because they are doing their duty as they are told to do it, but the fact is that one person in every 10 in the United States is a drone, living on taxes that the rest of us have to produce and pay. Now if that is so, do we want to increase that situation? Do we want to make it worse? Do we want Government ownership of railroads?

Now the Government has tried its hand at the business of railroading, a railroad operating 426 miles in 1921, and the Government spent in 1922 and 1923 about \$4,000,000 a year on the railroad. That is how much was appropriated. Of course that was appropriated in addition to the income that came from it. Before that they were, of course, spending more because they were building the railroad, and they may have paid for some additions on it out of the \$4,000,000. But having spent that, you would at least think it would maintain itself, but the report of the Secretary shows about \$4,000,000 in 1922 and \$4,000,000 in 1923 were spent on this Alaska Railway. I looked up the statistics on that the best I could. Railroads under private ownership have to get in their reports pretty promptly, but 1921 is the last report I could find on that Alaska Railroad.

How much did they carry on that road of 426½ miles in a whole year? They carried 20,000 tons of freight. Now that is an official report. There is another question of credentials. Do you want them, or do you want those who have been in the game and think they know how to run it and have given fairly good evidence that they know how to run it.

This Federal Government is a Government of limited powers. You must find your powers in the constitution. Apart from the lack of constitutional authority, I just ask what is the common sense of

on our program. A representative from Baltimore has distributed some literature which you may find in the seats, and he has asked for not over five minutes of our time to speak to you about this matter, Mr. Lewis.

Mr. Lewis: Mr. President and gentlemen: I first want to thank the officers of this organization for this opportunity to speak to you. The second is, I want you to visualize what it means when I say that the Baltimore & Ohio Railroad has the greatest elevator in the world. If the class, so to speak, will just look at these pamphlets in front of you, the newspaper or the magazine, you will get in your mind's eye exactly what I have in my mind's eye. The other factor, as stated by the preceding speaker, and I approve everything he said, is that during the Railroad Administration I was assistant station master in Washington, D. C., from the hours of 4 P. M. until 1 A. M. and the word "drone" as used by him is illustrated by a story that is rampant in Maryland, which is this:

A gentleman applied to his congressman for a job. The congressman secured a job for him in his ship-building concern. The necessary credentials were presented, and he was assigned to the job. No one knew what that job was except himself and the Creator. Two or three days later, this man went around this ship building plant he noticed a very sinister individual following him. He observed and he re-observed, and he got frightened. He hastened to his friend, the legislator, and he said, "Bill, what in hell does this mean? By day and by night on my job I am followed by a fellow who looks like a detective. He looks like an ordinary workingman in his attire, but wherever I move, he follows along." The legislator thought deeply for a few minutes, and then he said, "Hell, Bill; that's your assistant."

Now gentlemen, I represent the Baltimore & Ohio Railroad on the Baltimore Chamber of Commerce, one

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inspected, unloaded and placed in storage in a little over three hours, the actual capacity being 32 cars per hour. This feature and the large shipping capacity are of great importance to grain men. The total shipping capacity of the plant is 150,000 bushels per hour. The ordinary ocean vessel is worth about \$1,500 per day, so the importance of a quick turn over will be appreciated by those who handle export grain and other grain into Baltimore. A new pier, No. 7, was constructed to take care of vessels loading cargoes only.

If an exporter comes to us and says, "We have a cargo boat," we tell him to go to pier No. 7. Pier No. 6 has been constructed to take care of vessels loading merchandise as well as grain. This will save additional towing expense. In other words, sometimes an ocean vessel has to go to one elevator for grain, and to another railroad pier for ordinary merchandise. This prevents shifting to another pier to finish loading. This will permit the loading of grain while the ship is still discharging cargo. All the other necessary operations of cleaning, drying, mixing and transferring grain will be carried on simultaneously, and will not interfere with the operation of receiving the shipping. From a track lay-out every particular angle has been thought out to expedite the moving of cars into the dumper, the unloaded car disappearing by gravity to the empty car yard. All the other necessary equipment for the operation of the elevator has been installed, including a welfare building for all the employees. The building, as well as all the facilities, are dedicated to the service of the patrons of the first railroad in the United States, the Baltimore & Ohio.

Now, gentlemen, if it is your opportunity, it is our invitation; the Baltimore & Ohio Railroad invites you to come to Baltimore and look us up. We will show you the greatest machine of its kind in the world. There is no duplicate. We feel proud of the fact. It cost the Baltimore & Ohio Railroad \$10,000,000. We must pay dividends on it, and I am going to tell you frankly and sincerely that I am the individual who has to help pay those. If you come to Baltimore, look me up and I will gladly take you through the elevator. I thank you, gentlemen.

The President: The next on our program is the report of the Transportation Committee, by Mr. Henry Goemann, who will now present his report.

REPORT OF THE TRANSPORTATION COMMITTEE

On behalf of the Transportation Committee of our Association I herewith beg to submit the following report covering both Transportation and Telegraph and Telephone subjects.

Telegraph and Telephone Rates

For the past two years this subject has been actively before your committee, but it has been impossible to secure any changes in the rates, charges, rules and regulations. While there seems to be a great many large users of the wire services who believe and insist that action should be secured reducing rates, they are nevertheless disinclined to support and finance the committee, and organizations of various kinds are not willing to join in a formal complaint before the Commission, due to the heavy expense involved in filing such a complaint and the knowledge that a decision in the matter may be appealed to the Supreme Court for final adjustment.

It is our belief, therefore, that nothing can be done at this time in the way of securing any reduction in rates, or changes in rules and regulations.

During the last session of Congress, Congressman O'Connor of New York submitted a resolution, number 310, to the House asking for a thorough investigation by a committee of seven (to be appointed by the House) of the telephone rates in the State of New York, as well as elsewhere, and also an investigation of the American Telephone & Telegraph Company, with full authority of their committee to compel the attendance of witnesses and the bringing of books and papers, etc. It is possible Congressman O'Connor may amend his resolution to include the telegraph companies, which would give the trade a full investigation on all wire services.

Therefore, it seems that if the users of the wire facilities believe that the rates and rules and regulations are not proper that they will probably be satisfied with an impartial and thorough investigation and a report by a committee of Congress, which would be made up of representatives of both parties and be unbiased in their opinion of the matter. Therefore, I suggest that if it meets with the approval of the members present that they pass a resolution instructing our organization to support a resolution similar to House Resolution No. 310 at the coming session of Congress.

Code Messages

The liability of the telegraph companies for errors or delay in transmission or delay in delivery or non-delivery under the terms of the companies as printed on the back of each message, of \$500 on unrepeatable or \$5,000 on repeated messages, does not apply to code messages.

I believe that if we brought a formal case before the Interstate Commerce Commission we could secure this liability by advocating that all code messages be written in English dictionary words and a plan of insuring messages as per statement submitted by me to



FIVE LITTLE GRAIN MERCHANTS AND WOMEN ARE WE

some things the Department of Agriculture has done? For example, they only recently published a cook book. Is there anything in there to authorize the publishing of a cook book? They published a pamphlet on the care and feeding of canary birds. They have gone along and published pamphlets on the killing of lice and raising of dogs and things like that, and so last summer, or summer before last, they had a meeting on the subject of home economy, a section of the Department of Agriculture, and they decided instead of looking after the raising of sheep, etc., they are going into eugenics; they are going into the matter of the propagation of the human race. Now, there are some things we don't want the government to interfere with. We want to do our own courting and marrying, of course, according to law; we want to bring up our babies in our own way, and raise them in our own way. And just to the extent that they have gone in the Department of Agriculture, what would we expect them to do if they took over the railroads? I say I think we want to do our own courting, and we want to do it privately, and we want to do our own marrying, in our own way, and do it privately, and we want to bring our own children in the world, and do it privately; and the same thing is true of the railroads.

They ought to be privately operated, privately managed, but with Government co-operation and regulation, right up to the hilt, because they must be operated for the public good, and I submit that the answer is just that which old Uncle Henry gave about his mule—the way for the Government to help us with good railroads is simply to co-operate and keep us in the furrow. I thank you.

Mr. Green: Mr. President, I move you, sir, that we extend a vote of thanks to Mr. Colston for his very interesting address. I feel proud of the fact that he is from Louisville.

(The motion was duly seconded, and adopted.)

The President: This is transportation afternoon

of the greatest exchanges in the United States. I love to deal with those gentlemen. They are a fine lot. They call me "boy". I thank them for that, because I am only 50 years old. The Baltimore & Ohio Railroad, as you gentlemen know, also stands for other things. It stands for "best and only", and to me, "beefsteak and onions". It is also the pioneer grain road in the United States, linking the great West with the Atlantic Coast, which it has been doing since 1827. You gentlemen are familiar with the fact that on July 2, 1922, we lost two of the old giants, "B" and "C" elevators. The Baltimore & Ohio Railroad's modern elevator cost us \$10,000,000 with all appurtenances, and is today ready to receive all the grain you might ship to us, and gentlemen, I will say frankly we need every pound that you have got. This takes the place of the old elevators "B" and "C" which were destroyed by fire on July 2, 1922. Elevators "B" and "C" were the first of their kind on the Eastern seaboard. Therefore, the Baltimore & Ohio is the pioneer road in bringing the West to the East. This new achievement exemplifies in a practical way the established policy of the Board of Directors of the B. & O. and its president, Mr. Willard and his colleagues, and provides the best facilities in the community which it serves, and Cincinnati being a great city is one of those.

Grain is one of our principal sources of national wealth, and we have come to appreciate the importance to this country of our grain trade. Realizing this, the officers of the Baltimore & Ohio have spared no effort or expense to provide a plant superior to any of its kind in the belief that this modern method of handling grain will not only be appreciated by those engaged in the grain trade, but will be of practical benefit to the purchaser as well as the consumer. Now, gentlemen, if you will look at your papers you will find this: The storage capacity of this plant is 3,800,000 bushels, which can be quickly increased to 6,000,000. A train of 99 carloads of grain can be

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the Interstate Commerce Commission in the hearing of the telegraph case per Docket 11524, July 26, 1920, in New York City.

I believe the Supreme Court has decided the telegraph companies must know the context of the message, thus be advised of what loss might mean through error or delay and which information a cipher message does not convey.

It seems to me, however, that by using an insured message, in line with plan outlined by me, the telegraph company is advised of the loss for which they are liable and with all words in English dictionary language, with which all operators are familiar, it would in my judgment comply with Supreme Court decision. However, the grain trade, who use code messages so extensively, do not seem to be interested and are unwilling to contribute any money to bring a formal case.

Telegraph and Telephone War Tax

Our Association was very active for several years on this subject and with the help of our members, and requesting other associations, their members, and the users of the telephone and telegraph facilities of the country to help, we were able to convince Senators and Congressmen of the justice of our request that this tax be eliminated. When the Revenue tax bill was finally passed it carried the elimination of this tax and saved the public thirty millions of dollars a year.

Bulkheading of Mixed Car Shipments

This subject is in the hands of the Interstate Commerce Commission and under date of August 14, I am advised by W. V. Hardie, Director, Bureau of Traffic, that up to the time of writing he had not been afforded an opportunity to give consideration to the recommendations in this matter, but that same would have his very careful consideration at the earliest possible moment.

Loss and Damage Claims for Shortage of Grain in Bulk

This subject has been under discussion with the American Railway Association the past year and as a result of conferences and correspondence I was instructed by the representatives of the various grain shipping associations to submit our final offer on this subject and which was to re-state the tentative agreement reached between carriers and shippers on June 29, 1923, and which is as follows:

Bulk Grain Deduction for Shrinkage:

(a) Carriers will not be responsible for loss due to natural shrinkage.

(b) When liability is established, there shall be deducted from the loss in weight on all grain one-eighth ($\frac{1}{8}$) of one (1) per cent of total weight of the contents of the car.

(c) This deduction representing reasonable shrinkage due to evaporation, or other natural causes, is to be made from shipping weights.

(d) Claims for shortage will be promptly adjusted, subject to deduction authorized in clause (b), when investigation discloses defect in equipment, seal or seal record, or a transfer in transit by the carrier of a carload of bulk grain upon which the unloading weight is less than the loading weight and the shipper furnishes duly attested certificates showing the correctness of the claimed weights, and investigation fails to show that the discrepancy is due to defective scales or other shippers' facilities, or to inaccurate weighing or other error at point of origin or destination, or to fraud.

(e) Where investigation discloses no defect in equipment, seal or seal record, or no transfer in transit, the claim will be adjusted or declined on its merits, taking into consideration all of the material facts. A clear record of either the carriers or shippers facilities shall not be deemed conclusive.

(f) In case of a disputed claim the records of both the carrier and the claimant affecting the shipment involved shall be available to both parties.

I understand that a conference of the carriers was held in Chicago on September 9 last, but as yet I have not been advised of the result of their meeting.

Reconsignment and Diversion Charges

A great many of our members are not satisfied with Rule 16 relating to these charges. The Chicago Board of Trade's Transportation Department desires that the \$6.30 charge be reduced to \$5 a car while a great many of the eastern firms want the entire charge abolished.

I had published in the June 20 issue of *Who is Who in the Grain Trade* a few recommendations which I thought would help to minimize the complaints against this rule and which are as follows:

First: Taking advantage of Note 4 Rule 16 and furnish an indemnity bond to the carriers.

Second: In paragraph "A" of Rule 16 you will note the words, "arrival notice as sent or given." Arrange under the privilege given in this paragraph and under the words "or given" for telephone instructions, safeguarding such an arrangement by having the railroad company's representative give his name and the time of day he advises of the arrival of the car. The receiver will, in turn, furnish his name to the railroad company and then confirm by mail thereby eliminating any question as to the time the notice was sent.

Third: Arrange with the shipper to have his bank send all drafts for collection upon the bank at final destination direct, and not through the regular banking channels because in following the latter course a number of days is lost by indirect handling.

Fourth: I would also suggest that the purchasers of grain have a small memorandum printed calling attention to this rule and asking each seller of grain to forward immediately all drafts against shipments to the destination bank so as to avoid the indirect delays through the regular collection channels.

It seems that some of the railroads are unwilling to accept blanket bonds under Rule 16, but a letter from R. V. Pitt, Assistant Director of the Interstate Commerce Commission, to Edward L. Hefron of the Boston Chamber of Commerce, stated that he could see no objection to the acceptance by carriers of a blanket bond containing the conditions provided in the rule to cover instances where the bill of lading is not available

instead of an individual bond in each case, provided, of course, that shipments are not delivered on such a bond without surrender of the original bill of lading except on certification by the consignee or claimant of the shipment that the original bill of lading is not available. I believe, therefore, in line with Mr. Pitt's letter that if the receivers will take out a blanket bond and then issue a certificate to be used in connection with the blanket bond, reading as given below, that it would comply in every way with the rule:

CERTIFICATE TO BE USED IN CONNECTION WITH BLANKET BOND

We hereby certify that bill of lading for Car No. _____ is not available. Blanket Bond No. _____ covers delivery of this car until bill of lading is available. We also hereby certify that we will deliver bill of lading as soon as available.

In view of the large number of complaints and ascertaining the views of the various interested parties whether our efforts should be made through the National Industrial Traffic League, whose committee has been handling this case before the Interstate Commerce Commission, I decided to call for a conference of the interested parties at Washington on September 18 and will make a supplemental report as to the outcome of this conference.

For your information, the National Diversion and Reconsignment Committee of the railroads forwarded to H. D. Rhodehouse, chairman of the Diversion and Reconsignment Committee of the National Industrial Traffic League, the following and which will very likely be accepted by the League at their annual meeting in New York City:

Advices have been received from various shippers that Note 1 to Rule 16 of the general diversion and reconsignment rules published to take effect May 15, last, is operating to their disadvantage, and upon consideration of the matter by the National Diversion and

not higher relatively than other traffic in carlots. Until cost of material, fuel, labor and taxes are reduced I cannot see how freight rates can be reduced and allow railroads sufficient income for a fair return to holders of outstanding railroad securities and which I do not believe are outstanding beyond the value of the property which viewpoint, will no doubt, be sustained when the Interstate Commerce Commission finally renders its report on the valuation of the railroads.

Senator LaFollette in his platform states he is for Government ownership of the railroads. Will Government ownership reduce freight rates? Supposing the Government took over the railroads and had to pay twenty billions of dollars for the same, of course, they would have to issue bonds to pay for same at a stated interest rate of say 3 per cent and tax free as to state and local taxes.

This means the investor would save paying taxes on his railroad securities of probably an average of 2½ per cent, which with his 3 per cent guaranteed interest would mean 5½ per cent return as against a lower return from a large number of railroads and no return from a good many under present conditions. On the other hand the various states and their subdivisions, as well as the Federal Government, would lose the taxes which the railroads are now paying.

With reference to railway taxation, the annual summary of the revenues and expenses of railways of Class 1, for the year 1923, showed the total taxes paid by them in that year to have been \$336,381,765. This was the greatest amount ever paid in a single year, and was greater by \$30,902,250, or 10.1 per cent, than in 1922. Virtually every year during the past 10 years has shown a steady increase in the railway tax bill.

During the first four months of 1924, or from January



A GROUP OF GRAIN MEN AT FOUNTAIN SQUARE

Reconsignment Committee at meeting here on 20th instant it was recommended that said note be amended to read as follows:

Note 1: If bill of lading or indemnity bond or other satisfactory assurance in lieu of the original bill of lading is not surrendered to local freight agent or other authorized representative at destination direct by consignee or owner, but is surrendered to agent at billing point or other representative at other than destination, the following charges will be assessed:

(a) If bill of lading or indemnity bond or other satisfactory assurance in lieu of the original bill of lading is surrendered in time to permit instructions to be transmitted so as to reach yard employees at destination between time of arrival of car at destination and the expiration of 24 hours after the first 7:00 A. M., after the day on which notice of arrival is sent or given to the consignee or party entitled to receive same, \$_____ per car.

(b) If bill of lading or indemnity bond or other satisfactory assurance in lieu of the original bill of lading is not received in time to permit instructions to be transmitted so as to reach yard employees at destination prior to the expiration of 24 hours after the first 7:00 A. M., after the day on which notice of arrival is sent or given to the consignee or party entitled to receive same, \$_____ per car.

Memo: The charges that would be assessed under the above paragraphs in Eastern Group, for illustration, would be:

(a) \$2.70 per car;

(b) \$6.30 per car.

Inasmuch as the change proposed, as above set forth would result in benefit to the consignor, consignee or owner, it is believed you will be able to have your committee approve thereof through the medium of correspondence without the necessity of a conference to discuss it.

Grain Rate Reductions

A great many newspapers, some Senators and Congressmen and farmers have been agitating and demanding reduced freight rates on grain, which finally resulted in a complaint by the Kansas Public Utilities Commission before the Interstate Commerce Commission. The Commission summarized the situation as developed by the record. This decision was published in August 5 issue of *Who is Who in the Grain Trade*. It seems to me this report covers the situation fully and as per paragraph "A," as follows:

(a) That rates on grain, grain products, and hay, generally speaking, are now on a somewhat lower basis compared with pre-war freight rates than are the carload rates on other traffic.

It is shown that grain rates at present in effect are

1 to April 30, the same railways showed a further increase of 1.7 per cent in taxes over the year 1923. This increase, if maintained throughout the year, will make the tax total for 1924 about \$342,000,000, which will, of course, be the greatest on record. This means a direct increase in taxation to the people and if Government ownership is not as efficient as private ownership, and I believe it is impossible to operate railroads as efficiently through Government bureaus, if not then there will be no reductions in rates of freight.

Our experience during the war would indicate this, as Director General Davis in a statement made public a short time ago, stated the cost of operating the railroads created approximately a loss of about one billion six hundred million dollars for the period of 26 months.

To those interested, and I believe every farmer, laborer and business man is interested, for everybody pays taxes directly or indirectly and while Government ownership of railroads to bring relief especially to the farmer sounds fine and I do not believe that there can be any basis of hope that railroads (owned by the Government) can be so operated as to bring about further economies sufficient to insure lower freight rates. In my home county, Richland County, Ohio, our local newspaper *The News* stated that figures taken from the tax duplicate show that railroad valuation for the county was \$11,747,950, and tax collected thereon amounted to \$206,981.82, so you can see what this one county will have to increase their tax collection from the people direct and which include a good many farmers.

With our outstanding bond issue which means interest, sinking fund and cost of operation, which cannot be reduced without serious complications, the only alternative would be to increase our tax rate or valuation of property, or both.

In an article in the *Country Gentleman*, it is stated that Minnesota collects a tax revenue of \$8,425,982.00, Wisconsin \$7,321,976, Iowa \$6,849,703, Kansas \$6,739,346, Nebraska \$5,365,960, Montana \$4,679,693, North Dakota \$4,072,282. Surely if this income is wiped out

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it cannot mean continuing present direct tax payment by the people and cannot mean lower taxes which farmers and all taxpayers are demanding, but these losses would have to be made up by increased taxes on other forms of property.

Government ownership would simply mean a flat increase in taxation of from 7 to over 50 per cent in the agricultural counties. In a dozen counties, taken at random in North Dakota, the increase would run from 8.86 to 23.47 per cent.

The loss of their railroad tax revenue could have but just one possible result for many such counties: *Insolvency.*

This subject of taxes is covered by an editorial in the *Country Gentleman* of August 30, and may I suggest that you purchase a copy and show it to your farmer friends and customers and others who believe in Government ownership of railroads.

Those in favor of Government ownership argue that the railroads are highly inflated and that with the water squeezed out there will be lower rates and better service which will be passed on to the public and the railroads run for service rather than profit. Can the Government operate more cheaply than private owners when they will have to pay interest on the investment and continue to pay present prices for material, fuel and labor?

As to wages, rail wages have advanced and railroads are supposed to be paying one and one-half billions of dollars more for labor services than they paid 11 or 12 years ago and railroad men are not grossly overpaid.

Many people point to the Postoffice Department and say how successfully and satisfactorily it is being operated by the Government. Now let us see about the

roads under private ownership with prospective Government owned and operated.

If we want Government ownership of utilities, why not put the Postoffice Department on this basis having them own all the postoffice buildings which they now rent as well as all instrumentalities they use and see if by doing this how some will compare with present operations? There should be some saving as they would save taxes and also at least 2 per cent on the money invested in buildings as the Government can borrow for less than private owners all of which would amount to considerable on the large number of buildings rented.

The Government practically controls the railroads as the Interstate Commerce Commission dictates the rate of freight they shall charge, the stock issues and rate of interest, also limiting net earnings to 5 1/4 per cent on outstanding values basis their tentative valuation, and the Labor Board fixes the wages to be paid.

Immediately after the convening of Congress for the December session Representative John J. O'Connor of New York, will bring his resolution to investigate the telephone trust before the Rules Committee and ask that the committee to carry on the investigation be immediately appointed and put to work. He will supplement his original resolution calling for the probing of the telephone companies' organizations with another resolution asking for power to include in the investigation an exhaustive and detailed quiz of the Western Union Telegraph Company and other wire companies.

During the summer recess of Congress O'Connor has been diligently gathering data and reports of investigations made in local communities throughout the country. He has had and is now working with numbers of local investigators in many parts of the United States who have supplied him with detailed reports of their work.

"I have enough information to place before the Rules Committee to convince my colleagues, if I have not already done so, of the immediate necessity of going into the net work of interlocking corporations of the American Telephone and Telegraph Company, the Western Union and the Western Electric Company," Congressman O'Connor asserts.

"Congress can, and I am sure it will, turn the light on the inside workings of these corporations who now have the public in their grasp. This investigation will be one of the farthest reaching ever attempted, but once begun there will be no letup," he continued.

"There is hardly a town marked on the map where the inhabitants haven't just complained against these greedy corporations. I am continually getting letters of complaint. These letters are not only from individuals but from associations and organizations who know how grasping these so called 'public' utilities are. In Ohio the latter part of this month one of the largest associations of business men began making it its business to delve into the local conditions regarding the rate increases for telephone service. The trust is not afraid of local investigations. But they dread the searchlight of Congressional investigation. Their attorneys cannot dodge and elude the exhaustive and detailed examination of their clients' activities," Congressman O'Connor emphasizes.

"Congress is the only legislative body that can regulate them. When the investigation is through there will be no question of the passing of the proper laws to break the tentacles of this octopus.

"In Indiana, the Public Service Commission recently denied a smoothly engineered plan of the Telephone Trust to grasp the control of four local telephone companies. A close study of the growth of the trust will show even the layman that the trust is constantly taking over or planning to control the smaller and independent companies still apart from its domination. The members of the public service commissions in some communities are waking up and protecting their citizens.

"Congress with one investigation can and will find the means to protect all communities. I know that one of the first actions taken in the coming session of the House of Representatives will be the adoption of the resolution providing for the investigation. The public everywhere is demanding it."

The President: Now it is unnecessary for the Chair to call attention to the importance of transportation, whether it is railroad or of communication in your business. Mr. Goemann makes a constant study of those matters. We have time in our program at present to permit you to ask him questions about this last matter which he has discussed. An examination of my correspondence would show during the year a number of requests for information on this very matter which he has just mentioned. Also this code sending, Rule 16 is quite a vital matter to us just now. If you have other questions in regard to transportation and wish to ask Mr. Goemann at this time, he will be glad to answer.

Mr. Goemann: Mr. President, I forgot to say one thing, that on the reconsigning and diversion matter, this meeting was held in Washington last Thursday, at which I presided, and the eastern people only were represented. The western people were not in attendance. My instructions were to ask the Reconsigning Committee of the American Railway Association if they couldn't have their committee on the subject to meet with the others at Pittsburgh on October 1, and I addressed letters to both of those chairmen asking if such a meeting can be arranged, and in the meantime the Regional Committee of the New York district

will hold this week a conference of carriers for that district and see what they can bring about in their eastern section. So if any of you men interested in this reconsigning matter would like to be present should that conference be arranged, will give me your name, I will be very glad to advise you of such meeting so you can attend.

The President: If there are no questions which you wish to ask, we will hear from the Committee on Uniform Grades, Bert Dow, Davenport, Iowa, chairman.

REPORT OF THE COMMITTEE ON UNIFORM GRADES

OUR Committee on Uniform Grades has not had anything referred to it during the past year. I do, however, want to call to your attention that the Department of Agriculture has made a number of minor changes in the Federal wheat grades, also that Federal grades have made provision for weevily wheat, oats, corn and rye.

An order promulgating official standards of the United States for grain sorghums to become effective December 1, 1924, was issued on August 26 by Secretary of Agriculture Wallace. The Department says:

"The Department of Agriculture issued in 1922 a circular containing grades for sorghums which were recommended for use by the grain trade and inspection departments, but were not made official under the Grain Standards Act. Since that time these recommended standards have been adopted by state grain inspection departments as well as by commercial inspection departments and have worked satisfactorily. Repeated requests have been received that the standards be made official in order that interested



ELMER M. HUTCHINSON

parties may have the benefit of supervision and appeal under the Act."

In making the standards official no change was made in the grades or requirements as set forth in the recommended grades for the reason that they have been in satisfactory commercial for the past two years.

Mr. Hutchinson: One thought that I have in regard to the Committee on Uniform Grades, I would like to drop the suggestion to the officers and that committee to this effect: There are some of our members that are not just as well satisfied with the Federal supervision of grades in its operation as we would like to have that go, and I think that I express the opinion of the Board of Review of Chicago, that they would welcome this committee, or any member of this committee, to spend a few days with them in watching their work and going over it with them and getting explanations of how they determine the different grades and classes on all of the grains on which official grades have been established, and I am just wondering if it would not be a good thing for the Grain Dealers National Association to have the chairman or some member of that committee to do that thing and spend some time with the Board of Review at Chicago, and be a connecting link to report back to the convention next year their observations, if it wouldn't help along the lines of harmonizing and smoothing over the work between the handlers of grain and the supervision department I just drop that as a suggestion.

The President: I personally think it would be a valuable piece of work. Do you care to make that a motion, that it be referred to the Board of Directors for further consideration, or would you just leave it in the form of a suggestion?

Mr. Hutchinson: I believe I will leave it in the form of a suggestion.



HENRY L. GOEMANN

Postoffice Department operation. In the first place the employees do not receive equal pay with those engaged in similar character of work by private corporations or firms, especially in the larger cities and in the last session of Congress an effort was made for an increase in wages, but which failed as President Coolidge stated, that unless Congress provided extra revenue to take care of such increases in salaries he could not sign the bill. Of course, that would mean increased postage rates on all classes of mail. At this same session of Congress, proprietors of newspapers and magazines were pushing hard to have a bill passed reducing the rates on their issues whether the Postoffice could handle same without loss or not.

For the fiscal year ending June 30, 1923, the last report of the Postmaster-General I could secure, the operating deficit for the year was \$37,995,307.16. A great deal of the operation by the Postoffice Department is done under contract with private firms and corporations, such as railroad transportation, vehicular service, renting of buildings.

It is evident the Government cannot perform all the services necessary as cheaply as is done by private firms and in the annual report under the heading of vehicular service is the following paragraph:

It is the policy of the Department in instituting standardized vehicular service at postoffices to endeavor first to secure the service on reasonable terms, under contracts. If the proposed service is less than the cost of operating Government-owned vehicles of similar capacities in a particular section of the country the service is provided for under contract.

So by comparison we find the Postoffice Department does not own and operate all the facilities necessary to perform its work and depends largely on using the facilities of private firms and contracts with them to perform a greater portion of its operation, therefore, no comparison by using postoffice data can be made as to the service, rates and economical operation of rail-

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The President: The next on our program is the report from the Arbitration Appeals Committee, Mr. Elmer Hutchinson, Arlington, Ind., Chairman.

Mr. Hutchinson: I didn't intend to make a formal report to the convention because in the past year our work has been comparatively light. We have held one meeting of the Appeals Arbitration Committee and decided the cases that were on hand at that time, and there are on the docket now three cases undecided, two of which have come to the committee in about the last two weeks. They will be cared for in due time.

There has been some complaint or feeling in regard to delay of the work of the Appeals Committee, and I want to explain that in this way: We all recognize that this, being a national association, and the Appeals Committee being representative of the trade of the whole United States, it is the proper thing to do to make that committee geographically representative, and our experience in arbitration work has taught us that it is inadvisable to try to decide cases by mail. The best results can only be had by passing the cases around by mail, each man studying them in the privacy of his own home or office, and then going to a meeting of the committee and thresh them out, all of the angles and phases that are presented, and making the decision thus.

The expense of calling a committee together, the personnel of which reaches from New England to the far West, as the personnel of the committee is most generally made up of members from all of that territory, makes it impractical from a financial standpoint to call a meeting with just a limited number of cases to consider. Our practice has been to wait until we have at least five cases before calling a meeting of that committee, and today about two meetings a year is all that is necessary; so that there is some delay if a case comes to the committee immediately after one of those meetings and it will probably be six months or a little longer before that case can be decided. And I would ask our membership to have that in mind, and bear with the committee under those circumstances.

Now if I may be permitted, Mr. Chairman, I want to digress just a little from the arbitration, and as I am being relieved from the work this year, having spent 10 years in the work of arbitration, I have helped to pass on 200 cases in that time. When I was appointed on the first arbitration committee in 1914 we had one committee that handled all of the cases that came up for arbitration, and that one committee handled them without any extra exertion, and now we have seven. That is as it should be because of the recognition of the benefits of arbitration, and the Appeals Committee has recognized in the last two years a marked change in the organization mem-

ber of his state or local association. That is his first duty. Then I think it is absolutely proper that the country shippers take out a membership in the National Association because we need the numbers, the Association needs the money, and can do a far greater work by having more money to carry on the work. I was struck with an editorial in the *Grain Dealers Journal*, I think, of the last issue. I don't know as to the correctness of the number of dealers in the United States, but I was struck with the small percentage of the organized members as recorded in that editorial, and it certainly doesn't speak well for the grain trade of the United States that more of them are not supporting their organization work. And I want to say further to the country shippers that in my connection with the official family of the National Association, the interests of the country shipper are scrupulously guarded by the

easily eliminated if the litigants would read and properly interpret their contracts.

So many shippers lose their cases because they, (in a well meaning way), disregard the simplest rules of the grain trade.

The principal evidence of any case is the contract and any litigant weakens his case, if he does not entirely lose it, because of his methods of informing the other party that the contract is not as he understands it. That is, he uses the mail when he should have used the telegraph or telephone.

The use of the simplest form of contract should be encouraged. In other words, the contract with paragraph upon paragraph of technicalities in fine print should be discouraged. Make your contracts brief and understand them, observe them fully, study the trade rules and practice them and you will cut down the arbitration controversies of the Association to a commendable degree.

Your Committee has enjoyed its work during the past six years. We have had splendid co-operation from Secretary Quinn, and we wish the entire membership of the Association a successful 1924-25.

The President: Arbitration Committee No. 4, B. W. Crouch, Chairman, has handed in their report to be read. In the absence of the secretary, I will read it.

Report of Committee No. 4

Arbitration Committee No. 4 begs to report the handling of four cases this fiscal year, all handled by correspondence owing to the fact that there were so few cases and they were so well distributed throughout the year that it was not deemed wise to call a meeting of the committee. Respectfully submitted, E. W. Crouch, chairman.

Report of Committee No. 5

Only five cases have been allotted to our committee for decisions the past year, which shows a decrease of over 100 per cent from a year ago.

Of the five cases, three involved disputes over transactions not covered by trade rules, which indicates a closer observance of trade rules in the handling of contracts between members and a resultant decrease in arbitration.

The proposed amendments and additions to our rules coming up at the Cincinnati meeting are very important and should receive the careful consideration of the members in attendance, as they are necessary for the guidance of the members of the Association in future transactions, and if adopted will assist materially in preventing misunderstandings in transactions between members. Respectfully submitted, H. C. Gamage, chairman.

Report of Committee No. 6

I wish to report that Arbitration Committee No. 6 has since the last annual report decided five cases that were submitted for arbitration and at this time there are no cases before the committee.—I. C. Sanford, chairman.

Report of the Feed Arbitration Committee

The Feed Arbitration Committee begs to submit the following report of its work during the past fiscal year:

Four cases came before the Committee for decision



E. W. CROUCH
Chairman Arbitration Committee No. 4

terminal market men. The terminal market men only ask and seek for the viewpoint of the country shipper and they will readily acquiesce in any reasonable rule or regulation toward meeting any situation that arises.

The terminal market men are in the majority in the National Association work, but they want to get the viewpoint, and their problems are different from the country shippers, and if the country shippers when they are appointed on the different boards and committees will faithfully serve, earnestly strive to get their viewpoints, whatever they may be, they will gladly meet them more than half way, has been my experience in this work. And I want our country shippers to feel that that condition exists. I have had country shippers tell me, "Oh, it's no use for me to pay any attention to National work; they fix up things to suit themselves, anyway". Now, that is far from the truth. I have been a member of the Association for years, and I am proud to be able to say that I have found the terminal market men to be more than fair with the country shipper.

The President: Gentlemen, there is at least one name that might be added to the list of the self-sacrificing gentlemen who have spent their time unstintingly in the interest of this Association, and that is no less than the gentleman who has just spoken to us. He has certainly given his time and energy to a degree not known by most of us of the members, and he has the gratitude of all the officers for the past year and longer for the splendid services which he has given particularly to the cause of arbitration.

Is any member of Committee No. 1 in the room? Or Committee No. 2, Mr. Frank Bell, Chairman?

Mr. Reimann: Mr. Bell left the city. I don't think he had any written report. I think that our docket is clear at this time.

The President: Committee No. 3, Mr. Rice.

REPORT OF ARBITRATION COMMITTEES

Report of Committee No. 3

YOUR Committee begs to report the following: During the past year we have rendered decisions on seven cases, number of cases on docket two.

Committee No. 3, during its six years of existence, has handled a total of 84 cases, reaching its peak in 1920-21, when we handled 21 cases. The total in dollars of these claims run into thousands. One claim alone was for a total of \$10,409.14. When you note that the Association has seven functioning arbitration committees you can realize the magnitude of the service being rendered to our members, who are unfortunate enough to have controversies.

Arbitration is no experiment. It is the modern way of settling disputes. Our arbitration committees are saving the grain trade not only heavy court costs, but much valuable time and all at a minimum expense.

Much has been and could be said why individuals get into disputes. Some of these disputes could be



J. H. CALDWELL
Chairman Feed Arbitration Committee

during the past year, all of which have been finished, as follows: Case No. 993—George Adams & Company versus Newsome Feed Company; Case No. 1023—Owen & Barber versus Fraser Smith Company; Case 1023—Park & Pollard versus K. & E. Neumond Company, Inc.; Case 1079—Syracuse Mill Company versus National Feed Company.

In reviewing the cases we have handled this year, I find that most of them were the result of failure on the part of both plaintiff and defendant to have a definite understanding with reference to specifications and terms of the contract. Too much being taken for granted nearly always leads to controversy.

In only one of the cases handled did there seem to be any disposition on the part of either the buyer or seller to take advantage of the other. One case, however, was flagrant and the methods used in this case by one of the litigants can not be too strongly condemned.

"I am happy to say, however, there seems to be a disposition on the part of buyers and sellers to be more fair in their dealings than heretofore. If this condition continues to improve, as the writer believes it has in the last few years, buyers and sellers will become more careful and have a definite understanding and dealings with our fellow men will become less hazardous and much more pleasant. J. H. Caldwell, chairman.

The President: This, I believe, completes the roster



SAM L. RICE
Chairman Arbitration Committee No. 3

bers observing trade rules. Previous to that time the trouble was always, or most generally, that our membership didn't familiarize themselves with the trade rules. But since that time, most of the points involved in the cases are something that our trade rules should not be made to cover; they were of a technical nature, and the arbitrators would have to dig into them and use what trade rules were pertinent and what principles applied and the matter of equity and justice in making their decisions.

Now I want to say to the country shippers especially, I want to ask their support more of organization work. Ed Reynolds, Henry Goemann and others that have spent their time and talents for us in working out our problems, and denying themselves from their own business—it is worth while for us to appreciate that, and our appreciation would be expressed more nearly by our loyal support of the Association. I would not for a moment have a country shipper seek direct membership in the National until he is first a

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of the arbitration committee reports. I think there is a very encouraging strain of optimism running through the reports. You have all noted the decrease in the number of arbitration cases during the past year, and also a more strict observance of rules, and you will note that no committee has suggested that our rules are not complete enough to cover most of the cases which came before them, indicating that probably we don't have to make very many radical changes in our present set of rules to make them adequate.

It is a little early to adjourn and we are up with our program. Are there any matters which you would like to bring before the convention for the good of the organization at the present time?

Mr. Eikenberry: I would like to call a meeting of the Nominating Committee immediately after the close of this session, in this room.

The President: We are ready for anything relating to the good of the order.

Mr. Riley: I would like to call the attention of the convention to rule 26 of the National trade rules, for this purpose: In many transactions between dealers throughout the country the rules of the markets supersede, of course, the trade rules. In other words, purchases are made according to the rules of the market. Perhaps that is as it should be, and that is as it has been, although I do feel that the National Association and the markets ought to get together as far as possible on the rules. And this Rule 26 on the subject of off grade corn provides that it shall be the duty of receivers of grain on regular market terms to notify the seller of any failure to grade so that they will receive such notice within 24 hours. In some of the markets we know that failure to notify has caused a great deal of trouble and the seller has had no opportunity of protecting himself. Some markets the grain only stays in a day or two days, and when it gets out of the county it is beyond the jurisdiction of that market. If we had the rules of all the markets in harmony with this, we would then give the man who made the sale an opportunity to protect himself in the event the grain doesn't grade. Now perhaps this particular rule as it is worded would not be exactly the thing, but the substance of this rule, I believe, our markets should take notice of. I only make this as a suggestion: I would like this Association, if it meets with the views of these people, to take up this subject and see if we cannot get it on a uniform basis, recognizing the principles of this Rule 26. If it is a proper subject for a motion I would be glad to make it, that the officers of the Association be requested to take that up with the different markets in the country with the hope of accomplishing what has been indicated.

The President: I think that would be a proper subject for a motion, Mr. Riley.

(Motion duly seconded, and carried.)

Are there other matters to come before us? If not, we will be informally adjourned until our session tomorrow.

The Banquet Session

The banquet was well attended, and was held the second night of the convention on the roof of the Gibson Hotel. Adequate entertainment in a lighter vein and excellent music had been provided by the local exchange, followed by speeches.

ADDRESS BY TOASTMASTER CHARLES D. JONES

YOU HAVE noticed on your program that the principal speaker was Professor Dyer, of Vanderbilt University. Professor Dyer has been unavoidably detained. Now, the reason Professor Dyer was invited to address you tonight was because of his unusual intellect, and then because of the fact that the officers of this Association knew that Cincinnati boasted of having the best and the most unusual in everything. And they wanted to show you that the speaker was chosen as being probably the ugliest man in the United States. Now, I can't give you any kind of an illustration as to his intellectual attainments, but in order that you may not be totally unacquainted with Professor Dyer should you ever meet him, I will give you just one little conception of his personal appearance. Down in Tennessee on Hallowe'en Night it is a custom for the young people to put on masks or anything that they might be able to disguise themselves with, and usually they have their greatest fun with the pickaninnies. It is said of Professor Dyer that a few years ago on Hallowe'en Night a little nigger was out on the street, and came running to his mother, frightened half to death, and she said, "Look here, chile, what makes you run and act that way? Don't you know it's one of those false faces? He isn't going to hurt you. Don't never let me see you runnin' from any mask no more." So the next morning Professor Dyer happened to meet face to face with this little nigger, and the little nigger grinned and said, "Go 'way from here, white man, you can't fool me with that face."

Now, when it was found that Professor Dyer could not be here tonight, President Coolidge, Mr. Davis and Senator LaFollette all volunteered their services,

but President Watkins felt that that would be unfair, because the people of the convention had their anticipations raised very high, and thought there was only one man in the United States superior as a speaker to Dr. Dyer, and in justice of the convention thought that man should be asked to fill the appointment. And so an S. O. S. was sent to Dayton, and a prominent judge consented to speak to you this evening. He is the judge of the Court of Domestic Relations, and he requests me to state to the visiting grain men that although he is judge of that particular court, that he goes blind after eleven o'clock at night. So I take pleasure, ladies and gentlemen, in introducing to you Judge Roland W. Baggott, of Dayton, Ohio.

ADDRESS BY JUDGE ROLAND W. BAGGOTT

LADIES, Mr. Toastmaster and Gentlemen: I would be ungracious to intimate that your toastmaster was indulging in any slight degree in falsification in honoring me by the presentation to you. I say I would be ungracious to intimate that he had lied. I am rather inclined to think, however, that if I met him coming down the street with Ananias and Sapphira I would say that he is right in the bosom of his family. One can readily understand the reason and the why of his incomparable success in realizing that he stayed away from the truth purposely. John W. Davis, President Coolidge and Mr. LaFollette for the moment are men deeply and personally interested in the salvation of the country. But any two of them defeated means that they shall have to go back to the practice of law. And being entirely unselfish and desirous of serving the great people of this nation,



TOASTMASTER CHARLES D. JONES

much as they would like to use this convention as a means to employ aid and favor unto themselves, I am quite sure they made no comparison that was in my favor. Had your toastmaster, however, said there is but one man homelier than Professor Dyer, the parallel of Ananias and Sapphira of necessity must fall to the ground.

I saw a very beautiful picture in your magazine, known as *Who is Who*, a picture of myself. My only regret is that my wife didn't marry a man that good looking.

I am very glad to have the privilege of being your guest again this evening. I recall with a great deal of delight and exceeding charm the honor and the privilege of being with you this morning, but whatever delight was given me then in great degree was withheld by reason of the fact that there was not the charm of the society of the lovely women. It has fallen to my lot to preside over the divorce court of Montgomery County, and for the benefit of your men who may be sojourning here, being a husband and knowing a husband—my office is up in the court house in Dayton—just telephone; that's all. Any wife that has been a wife for more than 30 days—heaven knows she is entitled to a decree of divorce. There are 10 grounds for divorce in Ohio, and my wife has 30 grounds that I know of. And when I hear women relate their grievances I wonder—I wonder where she has been all these years. Well, it has been a matter of courage or resignation or both. There isn't any reason why you men should laugh at me, because you are in precisely the same situation. If you were single, you couldn't even put it over again with the one you fooled the first time. Of course, the neighbor women know that you are all right, but they don't have to live with you. And I regret that the delightful women were not present this morning for the reason that it fell to my lot to speak in a more or less incoherent manner on reforming the reformers, and that affects you beyond words, because there are many men in the United States who would like

to regulate your mode of apparel. It isn't so many years ago, not more than eight, in the great state of Kansas an old man—I presume he was old—he must have been very old—introduced a measure which, had it become a law, and it didn't become a law even in Kansas—the proving ground of all fool legislation except Ohio—had it become a law it would have provided that no woman in the state of Kansas who had reached the age of 45 would be permitted to use any face powder, rouge, lip stick, and whatever it is, Stein's or Luxor—I don't know the difference, except I know that Stein's is a very bright red, and Luxor isn't. Now, imagine man attempting to regulate how women shall dress! You know you women must be very easy if you let the men arrange that for you, because there isn't a man within the sound of my voice that would allow you to do that for him. You couldn't tell him what kind of a suit of clothes he should wear. Why, he wouldn't even wear the necktie that you would buy him at Christmas time. How do I know? Why, I still have a very beautiful scarf that was given me some years ago. It will never be around my neck until I am in my casket.

But you don't suppose that I said to her, "Why, I won't wear that impossible thing." That wouldn't be smart, would it? I used the usual technique, "You know, dear, that is a perfectly lovely tie, the colors are so delicate, I really hate to wear it, coming from you, and I don't want to spoil it either." She knew that it was a lie, but she didn't dare say so to me. This old gentleman in Kansas knew a lot about the needs of women, didn't he? Why, if a woman isn't going to need a few of these little beautifying things after she is 45, when in heaven's name is she going to need them? I rather suspect that he introduced that measure largely for the purpose of ascertaining how many women in Kansas had reached the age of 45. And it wasn't any of his legislative business. He is the kind of man who tells his wife that he is glad she doesn't dress as other women do. And I have noticed this, and it has been my observation, that the man who complains the loudest is the one who looks the longest. And it might be added that he is the one who looks the longest, too. Certainly he doesn't want her to dress that way. It is going to cost him too much money. But, oh, you should see him at the Grain Dealers Convention if he can persuade his wife to remain at home! Some men can't. What an interesting thing it might be to hear that husband give what is called in vaudeville the honest lowdown on his happy situation in the precincts of his happy home.

(A voice from the rear said he couldn't hear.) You aren't missing anything. I dare say that there is one thing I might say that you would all hear. I haven't got a drop.

And I say this did not become a law, even in Kansas, and yet it provokes thought in our earnest and eager desire to make everybody as we think we are—and they are all that good—but we even want to regulate women's apparel. Why, we even want to tell her whether she may or may not bob her hair. The time was when we complained because she wore it too long. Now, we complain because she wears it too often—the same hair. And with all the transmutations at hand, she ought to be able to provide a new set of hair for every day.

And so I say to you women, be not deceived by the desire of certain old men and certain old members of your own sex who regret that they cannot decree by legislative enactment some means of quite safeguarding you beyond all pity, and that is because—why? Just notice the next man or woman, particularly the woman, who decries the use of a bit of face powder by her sister. Look at her nose and ask yourself if a little face powder wouldn't be a r-e-a-l help, you know. That is the reason she complains about your use of it. She knows in her heart of hearts that she needs it more than you do, and so I say I regret that you weren't present this morning. While it may have crimped our style considerably, yet there were a few things touched upon here and there that you might have enjoyed, and this reforming, so far as you women are concerned, being promulgated by men, I question the sincerity and the ultimate good. Why should your conduct be regulated by me, or by any man? He is not so highly moral that he is troubled about your piety, because if he gets too smart, you know a lot of things about him that you have learned, too.

In a little village in Ohio there is a college, and on the campus of that college are some beautiful cedar trees, with graceful sweeping limbs going to the ground—oh, until a few years ago they did. Visiting this institution of learning, so-called, I observed that the limbs of those cedar trees had been clipped off as high as eight feet from the ground. The gentleman showing me over the campus said, "You know the reason for that is this. A lot of our young people were coming out here and spooning—or as we say now, 'necking'—and we put a stop to it, all in one day, by cutting off the limbs." I had just returned from the eastern part of South Dakota, and there isn't a tree in the eastern part of South Dakota, but you wouldn't have me believe for that reason that the people in South Dakota haven't. There isn't a tree in Peacock Alley of the Congress Hotel in Chicago, either. But it is a wonderful place, just the same. I have had a lot of fine times myself. You know,

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it isn't a matter of trees or a limb. Of course, they stopped it—on the campus.

A few years ago when the ground was covered with ice and snow, the children in my community had been having a delightful time sledding or sliding down a very wonderful hill. Walking along one Sunday afternoon I discovered the owner of the premises suspending signs on his fence, and the curiosity of an old man suggested that I familiarize myself with the contents of the signs, and on the signs were these words, "No coasting on this hill on Sunday." The owner of the hill knew that God wanted the children to be happy on Sunday, but not in groups. God had made the hill and the ice and the children. But it was so much better to have them isolated in couples rather than groups where no serious harm could befall anyone of them, and the responsibility, of course, was charged, not to the owner of the hill, don't you see, but charged to God himself. He didn't want the children to slide down his ice on Sunday; being wrong on Sunday made it right six days of the week, didn't it? What a wonderfully intelligent people we are!

Then you are asking, "But where in the world are you going to stop?" I don't stop at all. These young people will take care of themselves. Don't be alarmed and don't be worried. With all the criticism we are indulging in, they are paying very slight attention to any of us and saying, "Oh heck."

We are in constant fear that when we have gone the world, of necessity, must come to an unhappy end, because we are no longer here to guide its destiny. Isn't that funny? We complain about the manner in which our young people dance, and our folks complain because we don't remain steadfast to the thrill and the lure of the Virginia reel that took off the wicked sinful souls in our time. It would be nice to see a Virginia reel now. I say, it would be nice to see it—yes, and that would be a thrilling stimulant, wouldn't it, to dance the Virginia reel? And yet I have respect for every man's opinion. If he doesn't believe in dancing, if he feels that it is dangerous, he is in a better position to know his weakness than I am. And I don't want him dancing with any one I am fond of if that is the way he feels about it. I don't want him dancing with any woman that I care about, and on the other hand, in fact, the women that I know him to be fond of, and for whom I have infinite respect, they don't want him dancing with them, either, because they don't want the embarrassment of his weakness thrust upon them. And so I stress that for the sake of you women to the end that you may be undeceived. Man, and I am one of them, for ages has regarded you somewhat as property. There have been but three ways in which to obtain for a wife. First, in the caveman days, he went out with a club on his shoulder, and he beat the other fellow to death and took his woman away from him. That is a matter of history, isn't it? And in the patriarchal days, he went to the head of the family and bought his wife. Now, in our more or less contractual relationship, the idea of property still prevails. Go downstairs and scan the hotel register and see how many have registered as John Smith and wife, John Smith and his dog, John Smith and his golf clubs, John Smith and his automobile, John Smith and his wife. You don't hear of them saying Mr. and Mrs. John Smith from Dayton, Ohio, do you? Well, of course, if he is from Dayton that is not always the name he uses. You know something you haven't told me.

Having presided for eight years over a court that has to do with the property of widows and children, I remember with a good deal of concern and interest the many wills that were probated. They all read alike, something like this: "I hereby give, devise and bequeath to my beloved wife—my beloved wife, Mary Ann, all my property, real, personal and mixed." Sounds pretty good, doesn't it? Wait a minute, there is a catch in it—wait a minute. "During her natural life and widowhood"—there is the catch. She by her economy saved 60 cents of every 100 laid up. That is, in those days she did; she didn't drink the cocktails, smoke the cigars and play all the poker. He did a reasonable amount of all three. And she remained at home—she did in those days, she doesn't now. No, there are too many Rudolph Valentinos on the market today. But in those days she remained at home and saved the money of the family. Then father died—not soon enough—and she came into the probate court with his will, and that is what she got. If you were to ask that sort of husband before he died why he made such a will, he would reply, "Well, I'll tell you, I got to think about the children." Why, of course, he is the one who gave the children all of the thought while they were children, didn't he? Every Sunday afternoon when he couldn't get out of it. He felt one of two things: Either, if that wife married again, never could she hope to do as well as she did when she chose him, or else he knew that if she married again, the chances are she would do no better than she did when she picked him, and no woman can possibly run a greater risk in marrying than she does the first time she is married. As I have come to know them, you put your cards in the soapbox, draw out one, and take the first name. And the duties of the probate judge are to explain to that widow that she need not take under that will; that she could take what the law gave her, which was about as much—

about one-third in Ohio—and that she had a year's time in which to make up her mind. Ask her what she wanted to do, and invariably she replied, "Well, I guess I ought to take what the will leaves me. That is what pa wanted me to do, and that is what I will do, and the eldest son said, "That's right, ma." You know, he gets his a little quicker. Of course, the eldest son wanted her to take under the will. Every reason. And I used to hope that father could choke—well, the chances are that he did, because he is in a country where water is scarce.

We have done a lot of other things with you. I wish you could hear the women's stories told to any judge of any divorce court in the land. Here is an illustration. She is that type of woman who has reached middle life, never been in court before, comes into the chambers, to the judge, frightened nearly to death, and begins her conversation something about like this: "How do you do? Are you the Judge?" "Yes, ma'am." "Oh, I thought I would see somebody with whiskers." "You were thinking of the House of David." Well, she is satisfied and begins her story this way: "I've got—I've got such a lot of trouble. I know you never heard a case like it—" "Well, what's the woman's name?" "Oh, how do you know it is a woman?" "Because I am a man. Besides, I have heard the same story 14 times every day for 14 years. I can tell it faster than you can."

And she goes on by saying, "Well, it is a little different with my husband. Now, my husband is an unusually attractive man." They all are, except when they are feeding themselves, and I might add when they are sleeping. You know, a husband sleeping is not the most picturesque being. Particularly, if he is an adenoidist. "Now, I want you to understand that it ain't his fault; everything would be all right if the women would just leave him alone." Some men seem to have all the luck! A lot of them get away

can't get at him." "Well, I don't want that." Of course she doesn't want that.

But I have this excuse and mitigation for man. All signs to the contrary, don't be deceived—he is by nature made polygamous in his attentions. We don't dare say that publicly, but it is high time that the truth were told. He may stay within conventional limits, but take it from me as a truism, whatever prayer he has is at least that he will not lose his eyesight. And for him there should be said, why ought that not to be the natural attitude, for if there is anything on God's footstool half so beautiful as woman, in this half century that I have traveled, it has not fallen to my lot to encounter it, and at this morning, if I had my choice now, I should rather spend all the years of eternity in some place of punishment that was filled with women rather than be any place else and be without them. You never spent a couple of days with just a lot of men, did you?

And then there is that other type of woman that may please you men, because you have met her. She is the kind that comes into the court house arrayed, but not like the lilies of the field. She has on, as I remember, a suit of Charmagne, very lovely stuff, too, a year or two ago, looked almost as good as silk, and was cheaper. And she has on a Chinese embroidered mottled blouse or waist, and collar rings hanging on her collar bones, and a nice little feather pointing into her right eye, and six cents worth of Spearmint in her mouth. She comes prancing into court—afraid of nothing. Begins her conversation about like this: "Why this ain't—" up to that time you haven't said a word—"why, are you the judge?" "I certainly am." "Well, for God's sake, what do you know about that?" Of course, there is no answer to make to that. You could not blame here for asking that question. "What can I do for you?" "I am sure there is a plenty you can do for muh. There's a swell party sent me up here said you were a swell guy—believe muh, I've got plenty of trouble." And I don't know what it is she is doing, but it must be a terrible feeling when they slip down. I believe some of them do it this way (indicating); it is a little better this way. A couple of little brass things help out a lot, I guess. "What is your trouble?" She replies, "My husband." "Oh, woman, you haven't got a husband have you?" "I'll tell the cock-eyed world." If she has a husband, it is proof that some place in the land there is a man for every last one of you. I will tell you what he looks like. He has some of these bell-bottom trousers, tied at the knee; a couple of tucks at the waist, a little coat on, a suit appears like an English butler's, a little flat Derby hat, and a head under that hat that thinks that Julius Caesar was killed at the Battle of Lundy's Lane. And she is the kind whose idea of making a home is to remain in bed every morning until eleven thirty reading—that is, if she can read any, and I don't know that she can—reading *Snappy Stories*. She is at the movie every afternoon, and goes into the delicatessen store at five o'clock, and "Oh, my Lord, five o'clock and I haven't got a thing for the old man's supper. Give me a can of beans," and you wonder why divorce is on the increase. Can you imagine a man living forever and a day out of a can of beans? It isn't possible to be done.

And what would we do, my friends, if there were no means provided for relief from an unhappy situation? There is a movement in the country to add to our Constitution another annual amendment. Let's start a society whose slogan shall be, at least one amendment every 12 months, and then observe none of them. That is what we are rapidly doing. In order to create a uniform divorce law, it is necessary to amend that Federal Constitution. And when that is done, I say to you the enforcing act that must follow it will be as assinine and incomplete and absolutely cruel as an enforcement act usually is, and the consequence will be that about three or four grounds for divorce provided and people living lives altogether more immoral and loose than we are witnessing today. Where will we get with it? What is to be gained? We say that out of every seven marriages at least three of the men have been divorced, or a larger proportion than that. But be that as it may, we lose sight entirely of the many happy and successful marriages that go to make our Union and nation that it is. Let's not be deceived by this ardent association to add some amendment to the Federal Constitution that cannot possibly cure our ills. It isn't necessary to have an amendment to the Constitution about divorces. The moment that is done, and there is recognized three or four grounds of divorce, you don't think for a minute that people can be kept apart and that they won't live together illicitly, do you? Why, that is being done today. Of course, as I said this morning, not in Ohio—forbid. But there are certain—there are certain centers where that sort of thing goes on. And you are going to answer it, "Well, but we put them in the jails." You haven't got anybody in jail now, have you? A lovely reformed country. No high crimes, no bank robberies, no murders, and the jails are all empty, aren't they? Why you can't get a murderer in now for the bootlegger. A counterfeiter must go free because Madam Jones has been discovered with two ounces of liquor in her house, and she must be a wicked woman.

It was said by a secretary of the Y. M. C. A. a few weeks ago that any man who said anything against



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with it. "Oh, there are two or three young women that are running after him all the time." Of course, I inquire as to his identity. Inquiry discloses that he is older than I am, and almost as homely, and naturally I wonder why there is any woman seriously interested in him. Here is the catch. He has made a lot of money in the last 10 or 15 years. She has remained at home, saving the money. He has been out trying to expand his business as well as his culture. His standards of culture, of course, are pretty largely cabaret style—a lot of attractive, lovely ones, you know, they are to look at—of course they are. Their grammar is something like this: "Oh, good God, Nell, hain't the summer went fast?" And her amiable companion answers by saying, "Well, if it hain't went fast, it hain't because we hain't went fast anyhow." They are the attractive women that are pursuing him, and of course they are not the least bit interested in his money. They are in love with him. Are they not? They are not. Well, he thinks they are, and after we are 50 and have money, you can vamp us, and we will even write letters to you then. I say that because I am past 49. But I have no money.

Now, here is the point that I want to stress. If this husband, characteristic of too many of us, were as honest as he would have that wife believe he is, and he, knowing of his being pursued by those designing women, why didn't he go home to the woman who had the courage to be his wife and say to her, "Why, ma, I am being bothered out of all sense by two or three women, and I want your help to get rid of them." Did you ever happen to hear of a husband going home and crying for any help? Oh, no. And of course the wife says, "Can't you put these women in jail so they can't bother him?" Well, our reply, of course is, "No, we can't do that, but we can do this: We can put your husband in jail where the women

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the Volstead Act is guilty of treason, and I reply, in the words of Patrick Henry, "If that be treason, make the most of it." I have an inalienable right to say, and every citizen of this country has a right to raise his voice in protest as against any law that he thinks is unjust. I don't hold any brief for the violation of that law—that is another story. But I have a right to arise and state that I do not endorse its terms, nor do I, and I would be unfair to myself and myself respect, and leave nothing in the way of my good name to those two young men whom I have the good fortune of being their father, if I stood quietly by and said, "I am in favor of any law that you think is all right." I am not in favor of a great many things. So I beg of you, be not deceived by this socalled betterment by adding another amendment to the Constitution. Do this rather, my friends: Tell your young people the honest to goodness truth about marriage, both from an economic point of view, and, more important, from the sex point of view, if you are equipped to tell them. There will be just as many marriages, but our young people may approach it with a little more intelligence. As it is now, we do one of two things: Either we stress the romance, or we twit them about the situation, and more often than not the comment borders on vulgarity. Two young people marry and she says, "Oh, he is a fairy prince," and he says, "Isn't she wonderful?" He hasn't seen her hair wrapped around a little barbed wire, and she hasn't heard him use the language he uses when the razor slips into his chin. Oh no, that hasn't come yet. And they discover that earning a living is a serious business, and that we have to get down to earth, and then comes the trouble.

A good many men do not seem to realize or understand the innermost emotions that go to make the biggest thing in a woman's life. Let me indulge a personal allusion and then I am done. I shall not hold you beyond measure, because I just noticed someone yawning, and someone has said that a yawn is but a silent yell. Let me indulge this personal allusion. Coming to my home upon an occasion, I discovered that things weren't propitious—you know after you have been married 22 years you don't need a bulletin hanging at the door to tell you that things aren't as one would have hoped. There is a sort of intuition, so to speak. Finding this good woman in tears, and making some inquiries, I found she was expecting some guests for dinner, and no meat, and a couple of pies had been baked—lemon, as I remember, and I hate them. One which had been taken out of the oven had fallen face down. What did I care? I wouldn't care if all the lemon pies in the world had been ruined. But she did. And don't you see, that was the biggest thing in her life for the whole day. Maybe everything went wrong with her that day—I don't know. So we got a little bit of something together, and a little bit of lemon juice and the white of an egg, and—I refuse to tell you the other thing—and a shaker, and shook the most beautiful pink, and gave her that, and of course that helped, and then we went down and got some ice cream, and I said, "If those guests don't like it, let them go home." What I am getting at is this. Coming to one's home and finding that situation, if a man puts on his hat and slams the door and says, "I have been at work all day and nobody appreciates me any more"—that gets you no place but to my court. And on the other hand, if she is smart, she knows that her husband, or any woman's husband, or all husbands, are the finest, most conceited animals in the world. He comes to his home and one of his children occupies perhaps the most comfortable chair in the household, and the smart wife says, "Jimmie, your father is awful tired. Why don't you let him have that chair?" and father sinks down into it with an "Ah." He hasn't been working any harder than anybody else, but he liked to be kidded a little bit. He has been spending his life racing with the sheriff, and wonders how he is going to get his taxes paid—give him some sort of encouragement to keep up his spirits.

Just the other week two people had fallen out and came to the divorce court, and among other things they had quarreled as to whether the window shade should be down at night when the lights were on. And I said to them, "Why what do you care whether the shades are down? It's your business to buy the shades and that's all the interest you have in it." He says, "Why, you aren't going to have a woman tell me—" "No, I ain't, yet. That's why I'm beginning like this."

So I urge, don't be deceived about this amendment being a panacea that would cure all of our domestic ills over night. New York state has but one ground for divorce. That's the reason that the morals of New York are so much better than every place else. Yes—the home of manufactured evidence. South Carolina did away with divorce. Said that they were going to clean up the morality of the state—a commendable and laudable ambition. Eleven years later passed a statute that is still on the statute books, that prohibits a man from leaving more than one-fourth of his property to concubine or illegitimate child. Didn't clean up the morality very much, did he? Just an illustrative demonstration that folks had been folks notwithstanding the act of the legislature. Let's not put any more amendments in the Constitution until we find some suitable means of enforcing at least one or two of the amendments al-

ready in there. I think I said to you this morning that this was the land of the free and the home of the searched. If you want to keep on being searched, that's your business. A cat licking cream doesn't care whether it is out of a tin dish or porcelain saucer. I like cream and I kind of like to have it porcelain and don't like tin so well, but if you want the tin, that's your business; that's all right. If you want them to go into your home and break up your household and tear up your furniture, well and good; but don't put any more amendments in until you are honest enough to live up to those that you have—and that you are not doing.

Now, in closing let me pause long enough to give

your grave and say, "What a delightful place for father."

But so that you may not be mistaken, my friends, I hold no brief for loose living or unbridled license. No man who could have the good fortune which befell me and be situated in the domestic happiness that has radiantly glowed about me these 22 years could rise in any public place and say an unkind thing about fine womanhood, or make a plea for loose living on the part of mankind. I recognize that human impulses cannot be controlled by statutory enactments, and I ask you to take that thought with you in the return to your firesides where you shall be met by your loved ones, and I wish for you in the years coming that you may have all the happiness that has come to me and that I anticipate throughout the years to come. It has been my good fortune to have been endowed with something of a disposition able to get a lot of joy out of mere living. My Creator has been particularly kind to me in bestowing upon me that endowment, and I count it one of the rare privileges of my lifetime that on this night of September, 1924, I have had the honor and the happiness and the joy of being your guest, and wishing you well, and Godspeed, happiness and prosperity. I thank you and thank you again, and bid you a pleasant and happy goodnight.

Wednesday Morning Session

THE meeting was called to order at 9:30 Wednesday morning by President Watkins.

The President: The first speaker scheduled this morning is Prof. Boyle, of the Department of Agricultural Economics and Farm Management, Cornell University. Prof. Boyle is working on a very close schedule. I take it he is not in the room, but we have a letter from him stating that because of certain departmental work, his train will arrive just about the time he is supposed to make this address, and he will have to return immediately to the University. As he has not yet arrived, we will pass to the second number of our program, and I have the honor and the pleasure at this time of introducing to you Hon. James T. Begg, Congressman from the Thirteenth Ohio District, Sandusky, Ohio, who will now address us on "Legislation by Bloc Minorities."

ADDRESS OF CONGRESSMAN BEGG

MR. CHAIRMAN and gentlemen of the Grain Association: It is gratifying to me to have the privilege of talking a few minutes before an audience composed of men in the business in which you are engaged. When I received your program and noticed the subject, I was just a little bit surprised that I was to talk on the bloc system in legislation. However, the subject to the average man doesn't make very much difference. I think I prefer to call my talk, "The Tendency of the Times in Legislation," which, of course, will incorporate the idea of the bloc system. I don't want anybody to misconstrue what I have to say, and say, "Well, he is a pessimist." I am not a pessimist. I can see the doughnut outside the ring all the time. Nor am I an alarmist, because come what will, I will get my share just the same as I have in the past. So it is not that at all, but it is a facing of the facts, as I see them, and I believe the American people ought to know just the tendency that we are traveling in from a legislative standpoint, and then in a republic if the majority of the American people want that thing, they ought to have it. Innovations have been made in our method of legislating which to me have been conducive to the conditions as they are today, and before conditions can be changed, it will be absolutely necessary to remove the cause for the conditions, and it does little good for an individual or a group of individuals to find fault and criticize and change the personnel, but let the system that produced the kind of personnel we have continue to exist.

Now, there are groups of discontents everywhere. In this country the past few years criticism seems to be the common comment. Men are banding themselves into groups and are making demands for their particular group wholly selfish, irrespective of the effect their demand, if acquiesced in, may have on the great majority of the American people. Things have been changed to such an extent that the man in public life is subservient to organized minority, and I believe before I am through with whatever I have to say you will agree with me that that is a fact. A republic must be governed by the majority, else it will cease to be a republic. That, I believe, is indisputable, and I don't believe there is a man in the audience that will differ with me on that flat statement.

It seems to me that is axiomatic and does not need to be proved, that a system of Government like ours must be ruled by the majority, and if the time ever comes when the majority ceases to rule, then the republican idea of Government is gone and it will be substituted by some other form of a modified republic or a modified aristocracy or autocracy. A coalition Government seems to me to be the logical result of the kind of the tendency that we are following today. Under a republican system of Government, with a majority control, there can be but two political parties. Now, you can ponder that for a moment. The minute you establish three political parties successfully, you have eliminated the



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expression of my regret that Dr. Dyer found it impossible to avail himself of the wonderful privileges of being your guest, and coming to you with his scholarly attainments, I make no mistake in guessing that he would have left you some message well worth your time in carrying home. But the joy that he has missed comes to me two-fold by reason of my privilege of having been with you this morning and renewing that delightful acquaintance again this evening. I count it a rare privilege, my friends, to have been with you during the day. I am convinced, as



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I was before I came, that the grain dealers have no ardent desire to place their yoke upon the neck of the farmer who is delivering his grain to town in a Fierce Arrow motor truck. Notwithstanding the claims and the charges that hovered around the late McNary bill, I am still convinced that you are honest men, striving, as I am, to make enough to keep out of the sheriff's clutches, so that you may be carried some day to the cemetery, leaving enough that your wife may remarry, as I have predicted in the earlier part of the evening, and then she and her second husband can go out on Memorial Day with a shoe box full of pickled beets and hard boiled eggs and fruit and munch away complacently by the side of

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possibility of a majority control, and you guarantee the right always of minority rule, and the groups of discontent today that are finding fault with conditions as they are, are only taking one step, when they are creating more than two political parties, in the direction of multiplying the grievances in a republic or in a Government where people undertake to rule. And if three political parties are essential, then when I and my crowd become discontented with conditions as they are, why isn't the logical reasoning to be followed by us to organize a fourth political party and after we have that organized on an equal basis with the three, then why isn't the next step a fifth political party, when certain groups become dissatisfied and discontented; and so on, ad infinitum.

Now, my friends, that is the direction of European politics, and it does not take an educated man to see that. And we can point to instance after instance, but take an instance of one of the countries that is not the most deplorable in Europe. I will select Italy for my example. There were groups of selfish interest in Italy creating political parties until they had approximately 20. They had so many that the Government was never able to command a majority for any particular policy or principle, and hence the Government failed to function, and Italy found herself face to face with one of two alternatives that is bound to come whenever a country begins to divide itself into groups, unless it rectifies its mistake and goes back to the original. The ultimate goal of division of people into selfish groups has one of two roads out, and there is no other. Either a bloody civil revolution, at the cost of lives of the people and their money in the millions in order to regain those rights that civilized man has striven after for a thousand years in every country where civilized man has lived—now, that is one road out. Italy did not use that. Italy chose the other road, the surrender of all power—power over life and death and property, power over the destiny of man—surrendered that into the hands of a dictator.

Now, a dictator form of government is not the worst form of government in the world, if the dictator is the right kind of a man, and Mussolini happens to be one of the finest, biggest, broadest minded statesmen there is in the world today, and the government under Mussolini is not by any means the worst government to be found in the world at this good hour, and so long as Mussolini continues to be the kind of a dictator he is and continues to live, Italy will have a most admirable condition for her people. But, unfortunately, in the life of man there comes a time when he must lay down his earthly burdens, and that time will come for Mussolini sooner or later, and either by natural or unnatural causes Mussolini must end his rule. Then, unless history violates every known precedence, Mussolini's successor will be one of two types. He will either be a weakling, or a tyrant—one just as bad as the other, and the weakling sometimes worse than the tyrant. Both are productive of oppression of the masses of the people, and the only way out then is, not the selection of another dictator, because the power of selection has been lost to the masses of the people, and then the only road open, in the history of nations when they come to that crisis in their lives, is a revolution.

Now, oppression never came out of the majority control, and what is more, it never will. Oppression never will come out of majority rule, but the oppression of people has always been promulgated out of the rule of the minority, and the smaller the minority the more severe the oppression. So I say, my friends, a system in the direction of a multiple of parties is a step away from the republic and the republican idea of government, in the direction of coalition, with the ultimate goal of absolute autocracy from some source somewhere along the line.

If that is not the solution, what is the solution of conditions that are not right? I want to give you another axiomatic principle. In a republic, governed by the majority, the kind of government you get is the kind of government that reflects the ideals of the average of the people participating, and it is nothing more; never was and never will be. And if there is anything wrong with the system of government operated under majority rule, then the thing that is wrong with the people themselves failing to become active participants in the affairs of their country, and the solution is not to put more men in, but to put fewer men in, and to put more men into the active working affairs back home in the communities where they live, because, after all is said and done, government in the republic begins and rests and finds its seed in the community at home and not in the capital at Washington, nor in the capitals in the states, and the citizenship in the communities at home is responsible entirely for the conditions that they find in the nation at large, and the rectification must come in doing one of two things, either arousing the interest of the lethargic class of intelligent people or else raising the average of the ideals of the whole people, and there isn't any other solution.

Now, what happens? We find ourselves in Congress, no responsibility back of any man. There isn't any responsibility back of me. I can run for Congress, and if elected, I can be for or against anything I want to, and there isn't any responsible party, there isn't any responsible head; I am obligated to no one or no institution. And as a result of that, being a human being, being anxious to succeed myself, I will ally myself with the biggest group of organized support I can find in my community. That is the human thing to do, and you

cannot eliminate the human element in a republic. You cannot expect the supernatural out of the common man. If you do expect it, you will be sadly mistaken, because you will never get it, and we find ourselves today, not only in Congress but out—we find our people organized into every kind of a group. The basic principle of the group is selfish interest, without a thought of anybody else in the world, each demanding of their representative that they respond and react according to their requests, and the most powerful argument that I have ever heard as a congressman, and I think I have been in the thick of it for about six years and know what is going on—the most powerful argument that I have ever listened to by any organized group, for or against, has been that "Our organization doesn't want it, or we do want it, and we represent two or three or five million votes."

My friends, when I tell you that that is the most powerful argument I have ever heard, I will submit to you the records in Congress and the hearings, and you will find that I am absolutely correct in my statements.

A republican government under the ideas that motivated the founders in Philadelphia in 1789 cannot live under than kind of philosophy, and that is all there is to it. There must be some argument beyond the argument of the selfish group and the selfish interest if a proposition is to have merit enough to have it become a law and foisted upon the whole people, because there is no selfish group in America today that represents even a respectable minority.

The bloc system—what is that? What is the bloc system? Why, it is nothing more than that men in Congress that happen to have strong organized minorities in their political communities back home, and that strong organized minority is worth so many votes at election time, and I suspect, if you will investigate the records of us all in public life, you will find that over

called and a vote taken, and men, if you don't think it takes courage for a man in Congress to vote against a bill that he believes is wholly bad, but a majority of his people are misguided and want it—if you don't think that takes courage, all I have to say to you is, get elected to a representative body and go down and become a shining light engaged to resist that kind of a demand.

The bill passes and becomes a law, and whom does it affect? Every man, woman and child. Whom does it benefit? Not a respectable minority of the American people. And I will drive home again, if possible, the assertion that any law that does not benefit the majority of the people in a republic has no business on the statute book.

I am going to take a concrete example, because you men perhaps are more interested, and just point out what seems to me to be some of the sure reasons why this bill could never succeed, and yet it had the support of men that I concede have just as much ability to think as I, and are just as well trained and just as honest. Yet to me it has provisions incorporated in it that absolutely guarantee its failure, and I refer to the McNary-Haugen bill. We call it the Mary Haugen. Now, why was such a bill introduced in Congress? There was an agricultural depression, and we all concede it. Nobody disputes that there was an agricultural depression. Some of us may differ as to the reason for that agricultural depression, but nobody denies that it existed. Now, there sprung up a demand for some kind of a law that will make a bushel of wheat bring \$1.25 in a fictitious market or \$1.50, when, in the economic market in the world it was only worth a dollar or a dollar and ten. Now, I believe it is a safe principle on which to go in public life, or private, that a law cannot be passed legislating value into something, and the only way that value can be put into anything in the civilized world—I am talking about a value that wasn't put there by God Almighty in the creation of the natural resources—the only way that value can be put into an article is to have human labor performed on that article, and the amount of human labor performed on it, and the price paid for the labor must control the economic price of every commodity in the United States, unless a monopoly has control of it, and a monopoly is not a healthy condition for any article or any product.

Reasoning from that basis, let us see what we undertook to do.

Before I go into a discussion of that, I want to simply lay down another axiomatic truth, as it seems to me, and yet if you should ask me to prove it I might have some difficulty. But the thing that seems to me to be axiomatic in our country and in a republic is, the less the Federal Government undertakes to do for the citizenship in the various states, the more healthy the citizenship will be, and the Federal Government as well. But the demand has been entirely in the other direction since the war, and it is not to be surprised at all, because during the war every individual surrendered to his government the right to do his own thinking and arrive at his own conclusions. He did that of necessity for the general welfare, but there isn't any necessity for his doing that any more.

As evidence of what we did in this country I only need to cite to you that we ate brown bread if our Government told us to, and if the national welfare needed the whole wheat bread or the white bread, we ate whatever was left, and if the Federal Government needed the sugar and said to us we could have one lump to put in our coffee, we complied meekly and without a grumble, as a nation. And if on a Sunday the Federal Government needed the gasoline for the prosecution of the war and for the welfare of the whole country and said to us not to drive our automobiles on that day, why we left them in the garage and did not complain. If I had a piece of machinery in my factory in Sandusky or any other place, and the Federal Government said that that piece of machinery was more valuable for the general welfare in Philadelphia or in Cleveland or in New York City, or any other place, they came into my factory and they said, "We want this piece of machinery. Here is a receipt for it." They didn't even pay me the money, and they didn't ask if they might take it. They took it in spite of the fact that my bread and butter perhaps depended on my continuing to operate that piece of machinery, and perhaps the bread and butter of 15 or 20 or 1,000 other men, with their families. Yet the national welfare supersedes the individual rights in a republic any time and all time, and they came in and took it. And so I say we surrendered our own right to do our own thinking to our Government, without protest. And if that is not enough, what did you do with your boys, when the Federal Government reached its long arm out and tapped that young man on the shoulder and said, "We need him in France or we need him in the camp or factory or anywhere?" Why the glorious chapter of American history is that scarcely an American father or mother protested. Said, "Take him; turn him back to us when you are through, and God bless you."

Then, the war is over, but the hard thing to reconstruct, and the only thing that needs reconstructing in American life now, is the mental attitude of the most of our people toward their Government; get them to turn their eyes away from their Government; get them to again accept their responsibility for their own welfare, and let the Federal Government alone. It is not the business of the Federal Government to provide me a bed to sleep in at night. It is not the business of



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Winner of Booster Prize

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the Federal Government to provide me a doctor if I get sick; it is not the business of the Federal Government to do every one of the social and economic things for me that I ought to do for myself if I am a supporting member of my community and my country. And the job of changing the public mind, my good grain dealers, rests as much upon your shoulders as it does upon mine as a public office holder, and the job will never be done until you men become active in politics. And when I say you men, I mean of course everybody. So that when a man is a candidate for a legislative office, he is not confronted with a questionnaire from some little minority group, which says, if elected to Congress or the state legislature, will you vote for thus and so? Now, the man who binds himself before he goes to Congress or to the state legislature to vote for or against anything, before he sees and reads the provisions in that instrument, has disqualified himself to represent the American people in a republic, if you want a Simon-pure republic.

Just a word about one or two of the bills that I have been referring to, that represent minorities, and that for wholly selfish purposes wanted to be experimented with, when the men who voted for them in many instances said to me, when I was trying to convert them from the error of their ways: "Well, but Jim, out in my country we have to do something to help the farmer or the Republican Party will be defeated," and I replied that a worse calamity than a defeat for the party would be to enact that experiment into law.

What did they do? Tried to create a corporation and a fictitious price for agricultural commodities. One? No, everything in the whole gamut of production. I was born up in New England and raised on a farm. Speaking one night near Boston, an old fellow in the audience said, "Well, you wouldn't need to tell it." And after the meeting was over, a very solemn, dignified gentleman came up to me and he said, "Young man, I want to correct your English." "Well," I said, "just go ahead. That is the easiest job you ever had in your life." "You announced that you were raised on a farm. You should have said you were reared there." "Well," I said, "My good friend, if you had known that old Scotch daddy I had, you would have known that I had been raised a good many times."

And speaking of the Scotch and of that old father I had, it was only an accident that he was born in this country. My granddaddy was a coal miner in Scotland and he came here—what for? He didn't come here with any idea of becoming rich, but he came to this country because he believed America was a place of opportunity for his boy. And he didn't come to America because he believed the Government would provide the boy with a suit of clothes or a doctor if he got the stomach ache, but he came because he believed the Government existed for the citizen, and that it would provide his boy with an opportunity to climb out of the condition of poverty that he occupied and surmount probably the hill of prosperity a little way, and after all that is all that America means—is an opportunity to get out of where you are, on a little higher plane, intellectually and morally and physically and financially, and whenever it ceases to be that opportunity, it isn't any better than the rest of the countries.

This bill purported to fix the price of wheat, flour, rice, corn, wool, cattle, sheep, swine, or any food product of the above. Well, how was it to be operated? It was to be a political machine. Why do I say that? The chief officer of it was to be the Secretary of Agriculture. Who is the Secretary of Agriculture? Oh, I don't mean now—I mean anytime. Why, he is the most prominent man, closest allied to the farm vote of either party that happens to be in power, and that is the only qualification he has in God Almighty's name. He might be a school teacher, or he might be a grocery store man, or he might be a farmer, or he might be anything—just so he happens to be in touch, and is in a position to exercise a big influence in the election and turn in so many hundred thousand votes in the United States in the agricultural communities for that party. That is his qualification. Yet he is to be the chairman of a financial corporation, the initial capital stock of which is \$200,000,000 and if \$200,000,000 will handle the meat products and the corn and the wheat and the oats and the wool in this country, I will want to become a joint stockholder in that corporation.

Now, then, who is to help him? Four men. Who are they? They are appointed by the President, and confirmed by the Senate. If they could be appointed by the President without being confirmed by the Senate, it would not be quite so bad, but if you will show me a single man in the history of this country confirmed by the United States Senate that isn't a professional politician, I want you to name him. You have your four directors, plus your Secretary of Agriculture. What are they to do? They are to fix a ratio of price, handle a \$200,000,000 dollar corporation, and this corporation, by its very language, is prohibited from making a profit. Now, get that. By the language of the bill they dare not make a profit. And yet they can issue bonds, they can borrow money, they can sell stock up to five times the \$200,000,000, one billion dollars worth. Who is going to buy the stock? How much of it do you want? I would like to sell you stock of that kind, if you are that easy. I would quit Congress and make you my clientele, as a stock peddler. Why men, it doesn't even take a man in the primer class in business to see right there your first absolute failure in the scheme. Why, you can't sell stock—anything other than oil stock—

you can sell that with nothing back of it, because I know. I bought some of it. But you couldn't sell any more to me if I could see the oil gushing out of the well.

Here is a corporation of \$200,000,000. Where is the money to come from? It comes out of the Federal Treasury. No condition there, whether the Government wants to buy the stock or not. It is compelled to. It buys \$200,000,000 worth, and the organization is precluded, by its character, from making a profit. When is the Government ever going to get the capital back? And then if they need another 100,000,000, they can issue stock for it. And what becomes of the 100,000,000 of stock that is sold? Nothing, because they can't make a profit and they have no assets. Now, who is to operate it? I mentioned the personnel, the field they were to be selected from. What is to be their compensation? Ten thousand dollars a year. A little more than a Congressman, I will admit, but they are to get the munificent sum of \$10,000 a year to handle a \$200,000,000 corporation, and they are forced by law to meet once a month. Just think of it. They must meet 12 times a year in handling a \$200,000,000 corporation, and they are going to be compensated at the rate of \$10,000 a year. Do you know of any \$10,000 men that are big enough to head a \$200,000,000 corporation? If you do, send him to me and I will get him a job this afternoon, and then I will make \$25,000 a year off of him, because I will sell him to some big corporation. Why you can't buy him on the market. There just simply ain't no such animal.

The personnel every four years might change. The Republican Party might be defeated, and the Democratic Party might come in, or the Progressive Party—well, I think the latter is an impossibility. But for the sake of the illustration, I will say that. Then, of course, we have our five directors, one the Secretary of Agriculture. Well, have you ever known of a Republican

the ratio price was \$1.50 a bushel, they issued a proclamation, or the President did—they notified him and he had to do it—that the price of wheat from this day on is to be \$1.50. One dollar and fifty cents where? Now, this corporation is authorized to go out and buy wheat and pay \$1.50, less the cost of operation price. I am going to assume the cost of operation price is 15 cents a bushel, just for the sake of illustration. I don't know whether it will be five, or 20 or 30. Then they are going to say 15 cents is the operating cost, therefore the price of wheat everywhere is \$1.35. All right. I live out here in Podunk, in Ohio, and I have 10 acres of wheat, and I have 200 bushels to sell, and I take it down to my grain elevator and he says, "Well, I can't pay you \$1.35, because Toledo will only give me \$1.35," and he calls up Toledo, and they say, "No, I can't pay you \$1.35, because that is all I can get in Buffalo." What am I going to get? That is the answer. And if the Toledo man says, "Well, I can operate and handle it for a cent a bushel, or five cents, or two cents," or whatever it may be, and the Mansfield man over here, my friend Goemann, will be willing to handle it for two cents, who is going to fix the price to the farmer back here in the community. And then after they get this certificate and not the money, that calls for the differential between the ratio price and the actual or economic price, who is to prevent the farmer that has collected 100 or 200 dollars worth of that going down to his grocery, or to the machine implement man, when he buys his binder, or his clothes or anything, and says to his local merchant, "Well, I will buy of you if you will take this certificate I have at a discount of 10 or 20 percent." There is another defect. It is injecting into the national currency a spurious idea of no value, plus the fact that there is no certainty and no way to fix the price in the handling of the commodity.

We could go on indefinitely and discuss the possibility of failure along the line of operation of this particular kind of law, and I only use this as an illustration, because you know more about it perhaps than I do, of the physical impossibility of making that kind of a law apply to the general welfare of even a respectable majority of the American people, let alone a respectable minority. And in a republic, when conditions are healthy, the farmers can not long be in distress without that distress affecting the whole people. Nor on the other hand can one class of people or one portion of people in a republic be long prosperous at the expense of the rest of the people without that prosperity spreading throughout the nation.

And I am not so particularly alarmed when I read Government statistics just put out this last week by the Census Bureau to the effect that in America there are fewer paupers today than ever before in our history, and our population is the biggest that it has ever been in our time or in the life of our country. And if there are fewer paupers today than ever before, there is only one conclusion: There are more self-supporting and satisfied, prosperous, happy citizens, and you can go further in your reasoning, and you can say, "There is less pauperism, there is less poverty in the United States total area than there is in any other spot in the world of one-tenth the area, and if that is true there must be a reason, and if there is—well, let's see if we cannot find the reason. Is it because in America we are a superior people?" Oh, I don't think it is. I don't think an American is any smarter in brain power than a German or a Frenchman or Italian or Russian or any one of the thousand other peoples, because we never surpassed the intellectual attainments, yea, we have never equalled a Shakespeare nor a Keats nor a Byron, nor a Shelley. We have never equalled some of the historians of ancient times. We have never produced a new principle in architecture. We have painted no masterpieces in modern times that surpass the old painters of the Greeks and the Romans. We have never enunciated a new principle in justice from the old Justinian code of Italy, and I could go on, my friends, indefinitely, but I think it is safe to conclude that mentally the American people are not the superiors of peoples that have lived at other times and in other climes.

Well, then, perhaps a skeptic will say, "It is because we have broader acres and richer fields that America has been such a wonderful nation in producing this condition" about which I have been talking. Well, I think not, because Europe, and Russia in particular, has more people, and just as many fertile acres in both fertile soil and rich minerals, as we have in America, and if nationality and greatness were to be measured by that standard, we would be forced to rate below Russia. And yet Russia lives groveling at the feet of the world, an oppressed, suffering, starving race, and it is prophesied that this year there will be more Russians starved to death than were killed in all her wars since all time.

My friends, if you are going to base your national greatness on that kind of physical wealth, China and Asia would outrank us, yet China is hundreds of years older than we are, and has never contributed a single thing that is used by civilized man in her every day life that contributes to our happiness and prosperity. So, my friends, it must be that to account for superior greatness you are forced to the only conclusion left. It is because of the kind of a government we have in America, the only time the experiment was ever performed that a government was created for the people, and not the subjects created for the government. And the further you go in enforcing upon the government the responsibility for the welfare, the more you change the citizenship from independent supporters of your nation



LEW HILL AND MRS. HILL

President to keep a Democratic Secretary of Agriculture very long, or vice versa? Do you expect the next President, let it be Coolidge or whoever it may be—well, I can't say Coolidge but if John W. Davis is elected President, do you expect him to keep Mr. Wallace there long as Secretary of Agriculture? Why, not so very. Probably a few hours. And then if Mr. Wallace isn't courteous enough to tender his resignation, he will just be bodily fired. I know he would be if I were elected President. And I am no exception to the rule. We are all alike. And I wouldn't blame him.

Away goes your head of the \$200,000,000 corporation, and they appoint another fellow in his place, who is to come from the ranks of the farmer, we will say, and make him the chief operator of this \$200,000,000 corporation. All right. Four years from now the Democrats have stubbed their toe, and the Republicans are again elected. It might be along there some place: you can't tell. But whoever is elected will fire the Democratic Secretary of Agriculture instanter. Now, that's our scheme of Government, and then away goes your head again. Show me a business industry, big or little; from a grocery store to the steel corporation, that changes management every four years, and then makes a profit. Why, they don't exist. And every one of the directors has to be a politician. Now, there is a physical defect.

I want to take up another angle of it, and I will say they find an emergency in the price of wheat. There was an emergency a year ago when it was selling for 65 cents a bushel, and all of the related commodities were on a higher plane. We all admit that. But this bill said that whenever these five men found that an emergency existed in the price of a product or it was lower than the ratio price—what was the ratio price? Why, they took nine years prior to the war, and they said if 10 bushels of wheat will buy a suit of clothes, then that must buy the same suit of clothes today. That is the ratio of the price. The price of the wheat must be the same thing as the number of bushels and articles of necessity used by mankind everywhere. Now, that was the ratio price, and if these five men found that

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to dependent leaners on your nation, then your Government does not exist for the benefit of the people, but the citizen gradually drifts into that class of government where he exists for the benefit and the life and the perpetuity of his government, which has been a failure through all times, so far as every nation that ever experimented in progress down to the present time has demonstrated.

As evidence of that, my friends, I only need to cite one or two examples, in conclusion. Civilized man experimented with progress through all the ages down to the formation of our country. Their method of transportation then was the ox cart and the stage coach. Why the man who grew a surplusage of wheat 100 years ago even wanted to take it to a dealer was compelled to take a week or two weeks or a month, with a team of oxen, through the mud in order to get to the mill. But in 110 or 120 years we changed that ox cart into an automobile. We changed the old cradle and with which they harvested the grain into a self binder, cutting a swath around the field, binding it up, piling it up in bunches, and even, if you wanted to do it on a big scale, thresh it and putting it on a wagon or a truck to haul it to the mill. Did that in about 100 years under this Government. No other nation ever performed anything like that. We took the stage coach and made a Pullman car, and made an aeroplane, so that American boys in American machines made an epoch in history for the world, when they sailed around the earth over here the other day. Why didn't Italy, why didn't Germany, why didn't France, why didn't England, why didn't Japan, why didn't Russia? Simply because, my friends, you are forced to the conclusion that it is because of that something in our form of Government that makes an individual want to climb out from where he is into a higher station of life. Let it be physical, moral, mental or financial, and under the form of government he is guaranteed protection in the fruits of his efforts in any line, and it is the only nation that experimented in that particular line of endeavor towards its citizens. Industries in the world have made an effort for thousands of years with the hand loom and the blacksmith and the spinning wheel. What is it now? Why, it is great giant industries everywhere, and most of the hamlets in Ohio have an industry internationally known. In my section of the state I can take you to villages of less than five thousand that ship the products of their factories to every country in the world where civilized man lives. Why didn't the Italians do it, or the French? Why didn't the Russians or the Chinese?

You can go on indefinitely. I want to refer to two. No nation experimented with universal education of its peoples until America was founded, and was started on the broad principle of universal education for everybody. And then the children of the well-to-do were educated. The children of every man, regardless of how poor he may be, guaranteed an education sufficient to equip them for every demand the country makes on them. Then religious persecution was a common thing. Today religious liberty is guaranteed, and it will continue to exist so long as America stays a republic, and cannot be changed by majority rule.

Those two things, my friends, are the greatest heritages that civilized man ever enjoyed, and we are sure of them, and we are sure of the achievements of the past under the form of government that we have had. Let us go home from here today and now and begin to preach the doctrine of individual and community responsibility, and not ask the Federal Government to do that for you which you ought to be doing and what your fathers, when they sat where you sit today, were doing for themselves. So long as America continues to follow that path, there is nothing but prosperity and progress ahead of her, but if she begins to sidetrack, branch off and experiment with multiple parties and group legislation, without due regard to whether or not it affects the general welfare of a majority of the whole people, then and then only does the United States embark on an uncharted sea.

The President: Congressman Begg, I am sure that I express the opinion of the members assembled here that if we could get together a composite expression of the opinions and principles for which the individual members stand, that you would find that you have practically expressed that composite view today. We thank you for coming before us.

We are fortunate today in having with us a gentleman, not of the grain trade, who has made a very exhaustive study of many of the features of our business. I would venture to say that perhaps he has done more to set the grain trade right in some particulars before the American public than any other man present in this room. For corroboration of that statement I would suggest that you look up some of the back numbers of *The Nation's Business* and read two articles prepared by this gentleman and published broadcast on the subject of "Future Trading." I have the honor to present to you now Professor Boyle, of Cornell University, who will address you on "The Wheat Pool Movement."

THE WHEAT POOL MOVEMENT FROM 1919 TO 1924

IN THE past few years a great many men, in Congress and out, have been conspicuously anxious to "do something for the farmer." Whether this leadership represented selfish opportunism or a sincere desire to help the farmer will not be discussed here. If we look to our Government at Washington, we find

that in the past 14 years the Department of Agriculture alone has spent \$1,000,000,000 for the farmer. If we look to the grain growing states, we find that in the last five years the farmer leaders have organized 15 state wide wheat pools (of which 11 are still in operation).

Price Discontent

Underlying this wheat pool movement in the United States, also in Canada and Australia—for it is a world-wide movement—is the farmer's discontent with wheat prices. And this discontent is based on the feeling, on the conviction, that the price of wheat is determined by the methods and the machinery of marketing, rather than by the underlying conditions of supply and demand. The farmer therefore feels that if he could change the flow of the grain to market he could change the price. He favors so-called "orderly marketing". And so we have with us now the pooling movement. How important is this movement? Will it succeed? Before answering these two questions, I will say a word about the economic background of the movement. For economic evolution does not proceed by leaps but by very small steps.

Economic Background

Forty years ago the farmers began to build the local farmers' elevators. I know it is customary now to pooh-pooh this movement and say it is not keeping up to date. But I am satisfied that the 5,000 farmer elevators in this country were and still are the biggest example of co-operative marketing on this continent. At any rate they are doing a business of several hundred millions of dollars a year and are saving the farmer millions of dollars. But working individually and locally, they have not advertised themselves before the world. At any rate, about the year 1920 a discussion was started, aiming to create a national grain selling agency for the farmers. It seemed to the leaders necessary to do something showy, something spectacular. As one leader ex-



PROFESSOR JAMES E. BOYLE

pressed it, "We must do something big or go stale." So the United States Grain Growers was born in 1921. It died in 1924. It expended \$750,000 in this brief period, but it did not market any grain. It was a gesture by the American Farm Bureau Federation—an attempt to make a big leap in the economic evolution of grain marketing. So we see here in these two movements, farmers' elevators and the U. S. G. G., an example in the one case of a big success, in the other case of a big failure.

When a commodity becomes standardized its marketing thereby becomes greatly simplified and cheapened. Hence our system of grain inspection and grading, under the new Federal grades, is one of the most important improvements ever made in grain marketing. This has doubtless already had some effect in reaching back to the producer of grain and encouraging him to grow better quality. For 90 per cent of the marketing problem is solved on the farm—that is, in growing the quality and quantity which the market wants.

It will be remembered at this point that our farmers produce four distinct classes of wheat, namely, Hard wheat (56 per cent), Soft wheat (31 per cent), White wheat (7 per cent), Durum wheat (6 per cent). Three of these wheats, it will be noted, are inferior for milling and white bread making purposes, and consequently are of lower market value. Hence we have not made progress in production as fast as the market has warranted. And when we think of the amount of dockage in the wheat and the loss in grade due to "inseparable foreign material," it will be apparent that we are not solving our initial market problem—that is—better production. Our biggest gain in production in the last 20 years was the introduction of Marquis wheat, and that idea was given to us free by Canada. The new wheat was first introduced into the Northwest through the co-operation of millers and dealers with the farmers—a very good kind of co-operation. Anyway, it has made millions of dollars for our farmers.

Summarizing what has been said about economic

background of the present pooling movement. The farmers' elevator movement is our largest and most successful example of co-operative marketing, based as it is on the strong local unit, there is no substitute for the farmers' elevator; the grand scheme known as the U.S.G.G. was a conspicuous failure; great progress towards better and cheaper marketing has been made by introducing standard grades for grain; some progress—but not enough—has been made in producing the quantity and quality of wheat needed by the consumers. And now, we are facing a new movement among farmers known as the wheat pool movement. Perhaps in a few years from now we will see a campaign for farmer ownership of the flour mills, or the bake shops, or the steamships that carry the wheat.

Wheat Pool Movement Definition

A wheat pool may be defined as a combination of producers who entrust to paid managers the complete and unqualified control of the storage and selling of their wheat. The usual pool is state-wide, although it may be smaller, or, in some cases, embrace more than one state. In its simplest essence, the wheat pool consists of the small, individual, competing farmers dealing direct with the single, highly centralized powerful corporation. To this central body the individual farmer is bound for a long term of years, usually five, with a legally binding contract. This is frequently but erroneously called the "California plan" of marketing. There is little doubt in my mind that if California's most successful co-operative marketing concern, the California Fruit Growers Exchange, should begin to pool the orange crop of the state in one big central pool, thus eliminating the functions of the 200 powerful, vital, active, local co-operative associations, it would mean the immediate downfall of this very useful association.

Economic Philosophy of Wheat Pools

The economic philosophy of the wheat pool may be expressed in one word—control. The pooling movement, when analyzed, is seen to imply control of markets, monopoly (although that hated word is never used). Pools strive for size enough to "dominate the market," and all that that implies in the way of price control, as I shall show later. In short, these agrarian pools seem to be like the old industrial pools which were so familiar in the late 1870's and the 1880's.

Industrial Pools

The industrial pools were created for overcoming what was then termed the evils of competition. Prices were too low to enable all the competing plants to stay in business. The manufacturers, in turn, refused to consider the evil to be overproduction, but placed the blame on the marketing system. A typical illustration of this fact is the Michigan Salt Pool which functioned during the 70's and 80's. J. E. Shaw, president of the Michigan Salt Association (a small combination of salt manufacturers), issued a circular January 8, 1876, to all the salt manufacturers of Michigan, calling a meeting to effect an organization. In this circular he used language which, by a substitution of the word wheat for salt, would fit the wheat pools of today. He said, in part:

"Organized we have prospered. Unorganized we have not." This is the experience which we have been paying dearly for. . . . The trouble lies in the marketing of the product. Each man has taken care of (or attempted to) his own product. . . . The other salt districts of the United States are now organized, and are ready to treat with us (as soon as we have an association) relative to fixing and maintaining prices, dividing the territory, and making other arrangements which will insure to the advantage of the trade. But we must first be organized. They cannot treat with individuals.

The Salt Pool was accidentally organized. Indeed this was the epoch of industrial pools. This pool prospered very well, for a time. But it had no power to limit production; hence new wells were sunk continually. Later a New Jersey trust was formed, displacing the pool. Still later, a holding company, the International Salt Company, was formed, followed by a period of extravagance, mismanagement and failure.

In a similar way the Whiskey Trust began as a whiskey pool, called the Western Export Association, to limit output and to export the surplus even at losing prices. This combination later took the trust form, to increase its strength. Then owing to scandals, speculation, and mismanagement the trust took the form of a holding company, and again it underwent various reorganization.

In a similar way the story might be recorded of various other pools, such as the Bessemer Steel Pool, Wire Nail Pool, the Gunpowder Pool, the Envelope Manufacturers Pool, Merchants Oil Association, Steel Rail Association, Candle Manufacturers Association, Addyston Pipe Company, Plate Pool, and scores of others.

These pools all failed, and passed out of existence. They did, in many cases, give place to a reorganization in the form of the so-called trust. Then the period 1898-1901 is generally referred to as that of the "consolidation craze" in the United States. In John Moody's book, the "Truth About the Trusts," published in 1904, he gives the names and capitalizations of 416 "trusts" with a total capitalization of over \$20,000,000. He also includes a list of 35 "disintegrated, defunct, and inactive trusts." And in the 20 years since that date he could add most of the other 416 to the list of "disintegrated defunct" trusts. But a few powerful ones, like the United States Steel Corporation, have survived. And in this connection it is interesting

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to note that the organizers of the wheat pools state and reiterate in all their speeches that they propose to do for wheat exactly what the U. S. Steel Corporation does for steel. Is it necessary for me to pause at this point and point out the utter fallacy of this argument? There are fundamental and irreconcilable differences between the farm and the factory, between the wheat pool and the steel corporation. The steel company produces steel. The pool does not produce a bushel of wheat: it is only a marketing agency. The steel company controls absolutely the quantity and the quality of the steel it makes. But the individual farmers themselves who produce the wheat cannot control the quantity; the weather does that. Neither do they control the quality within any definite limits. Thus in the spring of 1916 the North Dakota farmers planted No. 1 Northern wheat, and produced D Feed wheat. Hot dry weather did that, and the farmer cannot control weather. When the steel company finds a railroad desiring 130-pound steel rails, it does not produce 90-pound rails to meet this demand. It produces only a standardized article and it produces the quantity needed. So the first two fundamental and irreconcilable differences between farm and factory are these two of quantity and quality. And there is a third, namely, the elasticity in demand for the product. Agriculture is producing food for the human stomach, and this same stomach can expand a little, perhaps 10 per cent. Then it can hold no more bread and meat. But there is absolutely no limit to possible human demand for industrial products. If a man builds himself a \$5,000 home, is he satisfied? Not if he prospers; he will have to have a \$10,000 home. A little more prosperity, and he wants a \$25,000 home, or a \$100,000 home. And so it goes. Hence the farmer producing food is not in the same class with the factories producing industrial commodities. Yet how persistent is the fallacy that the wheat pool (producing no wheat) is going to copy the merchandising methods of the steel corporation (a producing organization).

Wheat Pools: Aims

But to come back now to our wheat pools. What is the real goal, the actual aim of the pool? The one unifying principle running through all our wheat pools is the aim to control the price of wheat. This aim is hinted by some organizers, plainly stated by others. As evidence, a few of these leaders may be quoted:

George E. Duis, president of the North Dakota Wheat pool, giving the principal address at the Kansas City Convention of Wheat Growers, December 4-5, 1922, said:

The ultimate aim of the wheat growers is to put a price tag on a bushel of wheat. When anybody says it can't be done, I don't believe that person knows what he is talking about.

In a leading editorial in the *Producer* (official organ of the Northwest Wheat Pool), November 11, 1922, entitled, "Control Determines Price," this language is used:

Stock dividends of a few hundred millions have been declared by the Standard Oil Co. It has thousands of wells throughout the United States from which it gets its products. But despite this fact it sets its own price. Why?

If each oil well in the country was owned by an individual, and each owner did his own selling, who would set the price of gasoline?

W. H. Settle of Indiana, member of the Organization Committee of the Indiana Wheat Pool, makes the following statement in the pamphlet, "Merchandise Your Wheat," issued in 1924 by the Indiana Wheat Growers' Association:

Everybody sets a price on what he sells except the farmer. Why shouldn't we have a voice in naming the price on the products we sell? Let's get control of the flow of the wheat crop through our own association and be able to merchandise it in a way that will let us have a voice in making prices. Saving a few of the handling charges would be merely saving pennies and letting the dollars go by. What we have got to do is to handle our crop so that it is worth more in comparison with what we have to buy. We want to increase the price level of wheat in comparison with the manufactured goods and living expenses.

Ex-Governor Frank O. Lowden of Illinois, Chairman of the National Wheat Growers' Advisory Committee states in a pamphlet "Pooling the Nation's Wheat," published in 1924 by his Committee:

If we were organized we would direct our wheat as the steel industry controls the flow of its steel. We would say to our mills: "Our wheat costs us so much; there is not any more than is needed for consumption: if you want to grind our wheat you must pay the price." That is what everybody else does.

Please note here the emphasis on the "flow" of steel, rather than on the quantity and quality produced.

At the July 15, 1924, meeting of the North Dakota Wheat Pool, Secretary J. A. Scott reported that it was not the purpose of the pool to get more for members than for non-members but to raise the price level by virtue of controlling a majority of the wheat crop and by controlling its flow to market.

However, the chief spokesman for the present pooling movement is the thrifty young California attorney, Aaron Sapiro. In his address, February 18, 1924, before the Indiana Wheat Marketing Conference, Indianapolis, he used these very plain words:

When we go into co-operative marketing activities, do we say we are simply going to try to get some little economy in the handling of wheat? No, because you and I know that we can't handle wheat as far as the physical handling is concerned any more cheaply than the big elevator companies that are now operating both in the United States and at terminal points and in the export handling of wheat.

When it comes to the economies of physical handling, they have that system perfected so that we can not hope to excel it. Those brokers and those wheat producers who talk about co-operative marketing as though it is some divine system which is going to assist in

some way in cutting down simply the handling charges of wheat, they are simply fooling themselves. There is no such thought in co-operative marketing.

We don't say that the purpose of co-operative marketing is to introduce any economy in the physical handling of grain, because we think that particular point is absolutely too trifling to bother about. What are we trying to do? When we talk co-operative marketing we say this: We are interested in raising the basic level of the price of wheat.

The slogan of the Indiana Wheat Pool is, therefore, naturally enough, "Merchandise Your Wheat." The implication is clear: Control the flow; control the price. It is not economies, but price control, which is sought. Now, in my solemn judgment, this is not co-operative marketing at all, but a mere farmers' trust, like the old industrial trust. As evidence of the correctness of my judgment here, let me cite the case of the California farmers Raisin Growers Trust, recently reorganized as a co-operative marketing association.

After enjoying monopoly, price control, and a brief prosperity, this farmers' trust was plagued by the inevitable increase in production which their artificial price level stimulated. Experience taught them a very simple but very fundamental truth about real co-operative marketing which they announced in their official organ, *Associated Grower* (March, 1923, page 8); in these words:

The future returns of the farmers can be increased either by savings in the cost of production or savings in the cost of distribution.

In the last number of this paper which has come to my desk (July, 1924) a review is given of the raisin industry from January, 1923, to July, 1924, contrasting conditions under the newly organized, actual co-operative, and conditions 18 months earlier, under the old-pseudo-co-operative, price fixing association. The old contract has proved unsound. The industry faced the fact of overproduction. At no time following the war was the association able to sell the whole crop including the carryover. The maximum tonnage ever sold in any one year was 140,000 tons; yet the crop of 1923 was 270,000 tons, and the carryover from 1922 was 100,000 tons. So the old association piled up liabilities of \$18,000,000 and found itself at the end of its row. Thanks to good leadership the raisin farmers are now reorganized on the basis of co-operative marketing for savings, not for profits.

Surplus Problems

"With the flow to market controlled there is no surplus bugaboo," says the official pamphlet, "Merchandise Your Wheat," issued by the Indiana pool, with a blessed oblivion of California's experience. The wheat plan is here outlined under which the surplus would be dumped abroad at whatever price it would bring, "without letting the foreign price determine the American price." Domestic needs would then be met by selling the bulk of the crop at home at any "American price," which would be, says the pamphlet "Liverpool plus" the tariff. "This," continues the pamphlet, "is sound economics; it is the policy which has been followed by all the industries of the country for years." Of course the wheat growers here are overlooking the consumers response to such doctrine as "Liverpool Plus." It is interesting to observe, however, in passing, that the American farmers, as consumers of steel products have conducted a battle for years against the U. S. Steel Corporation's "Pittsburgh Plus" method of basing steel prices to western consumers, and have recently forced the big corporation to abandon this practice. "Liverpool Plus" may be a horse of somewhat the same color as "Pittsburgh Plus."

Methods of Organizing Pools

Enough has been said to indicate the aims of the pool at price control. Now a brief statement of the methods of organizing pools. This practice has now become thoroughly standardized. It is almost reduced to a formula. A big meeting is held. Evangelistic speeches are made by impassioned orators. A whirlwind "campaign" is put on, during which small squads of men in high-powered automobiles carry their selling attack to substantially every farmer in the state. This is called the "Drive" for the sign-up. A large per cent of the farmers reached thus sign the long, legally-worded contract, even without reading it, not to say understand it. An official organ is at the same time established and issued by the central office, carrying propaganda material, based on the familiar psychology of attack, and enlivened with anti-middleman cartoons. Challenge and defiance are hurled at all the existing agencies in the handling of grain or in issuing market news. Broomhall of Liverpool is ridiculed when he forecasts large crops. Thus the *Producer* stated (September 2, 1922), "Broomhall runs riot in Estimates." "Producer forecasts shortage in Europe." The grain exchanges are roughly handled, much crude wit being displayed in explaining to farmers the iniquities of "poker wheat," hedging, speculation, manipulation.

Pools Organized to Date

There are, roughly speaking, four distinct wheat pooling movements in the United States, (1) the Southwest, (2) the Northwest, (3) the Scattered Pools, and (4) the National Wheat Pool, aiming to consolidate the three preceding ones.

The Southwest Pool began in Oklahoma, in a small way in 1919, and now comprises the two states of Oklahoma and Texas.

The Northwest Pool began in 1920, in the two states of Washington and Idaho. In 1921 it took in three additional states, Oregon, Montana, and North Dakota, and changed its name to the Northwest Wheat Growers. The leaders of the movement made plans to push the movement to include the 12 northwest wheat states.

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The drive was made in 1923, and four states were added: Minnesota, South Dakota, Nebraska and Colorado. The name of this pool is now changed to the American Wheat Growers, and a seat is obtained on the Minneapolis Chamber of Commerce.

These two pools, then, included 11 wheat growing states.

Scattered pools, if I may use the term, were formed independently in the four states of Arizona, California, Indiana, Kansas. This brought the total number up to 15.

A National Wheat Pool movement was launched, according to the standard formula, at a Chicago meeting, October 8, 1923, the heavy artillery of the movement being brought into action here. This was followed by a similar meeting at Indianapolis, February 18, 1924, and soon thereafter, the drive for a "40 per cent sign-up" in Indiana was carried on. The Indiana Farm Bureau furnished the men and the automobiles for the campaign, and the objective was easily reached. The big drive was then shifted to Kansas, and an even stronger battery of national co-operative orators (not familiar with wheat marketing) was brought into action. But since Kansas was already enjoying three large co-operative grain marketing schemes, the generals of the new campaign were forced into a peace without victory, and a compromise was reached, whereby the three competing co-operatives were induced to co-operate with one another in an amalgamated form. A word will be said about the operation of these various pools, after a short explanation is given of their form of organization.

Form of Organization

The usual form of organization of a pool is that of a non-stock, non-profit, one-man-one-vote co-operative association. The so-called "Iron-Clad Contract" is the tie between the individual farmer and the central association or pool, under which the farmer is obliged to deliver all his wheat to the pool for a period of five years (or in some cases seven years). There is no limit to the place or manner in which the association may sell the wheat, or to the expense which may be incurred, or as to the time of making payment to the farmer. The pool is authorized to use an injunction against the grower to prevent breach of contract, or to compel specific performance; also to sue farmer for liquidated damage of 25 cents a bushel for selling any grain outside the pool, costs of litigation to be paid by the farmer.

In short, here we have the legal compulsion theory of marketing, in place of the old-fashioned voluntary, co-operation theory. It is claimed in favor of the legal compulsion theory that it guarantees a profitable volume of business. The reply to this claim is that business should go to those and only to those who deserve it by reason of performing a better or cheaper service.

Operation of Pool

Of course the first big question to answer about the operation of the pool is, volume of business done and cost of operation. The volume is definitely known, although there is a little uncertainty about costs. Of the 1922 wheat crop, there were actually 12 state pools at work, and they handled 24,000,000 bushels of wheat. This is 2.8 per cent of the crop. Of the 1923 crop, there were 10 state pools at work, and they handled 26,000,000 bushels, or 3.3 per cent of the crop.

The bushels handled and handling costs of the 1922 wheat pools (omitting transportation) ran as follows, in cents per bushel:

Oregon	2,500,000 bu.	8.5 cents
Kansas	2,335,750 bu.	11.59 cents
Montana	5,693,000 bu.	13.3 cents
North Dakota	3,141,000 bu.	13.7 cents
Oklahoma-Texas	3,122,000 bu.	14.6 cents
Nebraska	396,860 bu.	17.14 cents
Idaho	424,000 bu.	28. cents

The Colorado Wheat Pool has announced the expense of the 1923 crop pool to be 12 cents a bushel, exclusive of freight made up as follows; 2 cents for reserve; 2 cents farm storage credit; 3.7 terminal charges; .5 American Wheat Growers; .6 interest; .2 organization; .25 administration; .4 storage.

These state cost figures are not strictly comparable since different items are included in different states. However, these figures do represent the deductions made from the sale price in remitting balances to the farmer. From the farmer's viewpoint they constitute one touchstone of the efficiency of the pool. From this viewpoint these costs are too high. Wheat is commonly handled through the regular existing channels at a much lower cost. Taking for instance the findings of our Federal Trade Commission or the buying margins of country elevators, exclusive of transportation costs, (that is, the actual deduction from the terminal price received by the farmer) we have the following comparable figures of costs for the five crop years 1912-1917:

Line elevators	5.91 cents per bu.
Co-operative elevators	6.13 cents per bu.
Mill elevators	6.65 cents per bu.
Independent elevators	7.61 cents per bu.

Financing

The pools are financed, at the start, by the entrance fee of \$10 paid by each member. The U. S. War Finance Corporation has made especial effort to serve the pools. Thus in 1922 this Governmental agency put public funds at the service of the pools to the extent of \$10,000,000 as follows:

North Dakota	\$5,000,000
Washington	2,000,000
Idaho	1,500,000
Montana	1,500,000

Large city banks now as ever lend freely on the se-

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curity of warehouse receipts. In fact, the credit problem of the pools seems to be solved. Liberal use is also made of the new Federal agency, the Intermediate Credit Banks. Lastly, the local banks quite generally take a friendly attitude, within business limits, towards the pool. Some bankers are coerced by the veiled threat of boycott, by the pool. Thus in his Indianapolis speech on the Wheat Pool, Mr. Sapiro used these words about the local banker:

Now the banker might not consent. If he is a friendly banker he will consent. If he is too close to the dealer, he won't consent. Then in that case you simply notify the growers. We may lose the wheat one term, but gradually you shift all the banking you can in that community from that banker to another banker. Eventually you work it out so that the bankers who are against co-operative marketing take their place in the history of the state, just like other important people who have been against co-operative marketing in the state of Indiana.

Paying the Grower

Pools are supposed to run one year. However, in closing the pool and making final payment to growers, sometimes a few months beyond the year elapse. It is customary to borrow money and make the grower a substantial advance, 60 or 70 per cent of the value, early in the crop year. As the wheat is sold additional payments are made. After 12 or 15 months final settlement is made. The Kansas Wheat Pool of 1922 was closed in August, 1923. The North Dakota 1922 Wheat Pool was nominally closed in June, 1923. However, about 1,000,000 bushels of wheat (one-third of the year's receipts) came in at the end of the pool, when the price was six or eight cents lower than it had been in the fall. Consequently the wheat was held for an anticipated rise in price (i. e., a speculative profit), and final settlement made in August. The price change, meantime, was downward. No. 1 Northern Spring wheat sold in Minneapolis for the week May 26-June 1, 1923, at a weighted average of 127 cents per bushel. During the next nine weeks (to August 3) it ranged between a high of 126 and a low of 114, the average being 120. In other words, the wheat held by the pool for higher prices was sold on a falling market, the decline amounting to approximately \$70,000.

Success of Pools

Does pooling pay? Yes, on a rising market. No, on a falling market. Since the market falls as often as it rises, it is evident that the speculative gain, in the long run, by holding wheat into the winter and spring amounts to nothing. For instance, the small Oklahoma pool of 1919 sold some wheat the following spring at an advance of 50 cents a bushel over harvest time prices. But the Oklahoma and Northwest pools found that the 1920 crop had fallen in value \$1 a bushel from harvest time till the next spring. In other words, the first speculative gain of 50 cents was offset by a speculative loss of one dollar a bushel. The 1921 crop maintained an even price in the spring compared with harvest. The 1922 crop showed a 25 cent decline; the 1923 crop showed a 10 cent decline. In other words, in the five crops, 1919-1923, market prices showed a gain one year by holding wheat till spring; an even break one year, and a loss three years.

In the case of a long decline in wheat prices following harvest, the pool sometimes finds it has overpaid its members in making the first advance to them. Thus Nebraska overpaid and undertook to collect back from farmers. Idaho had a particularly bad experience in doing this. Thus some farmers became overpaid; others underpaid. One result of this mismanagement was to throw the Idaho association into a receivership.

The Washington and Oregon pools have voluntarily suspended, thus completing the cycle of the three pools in the Northwest. The Arizona pool went into a receivership and has ceased to function.

The chief claim to success put forward by the pools is their statement that they have raised the basic level of wheat prices. This is the expression of an opinion on their part which is likely they cannot prove. Since they handle only 2 or 3 per cent of the United States wheat crop it seems fair to conclude that they have had no influence on the price level. In any event we have had four years of very low wheat prices, broken only recently by drought in Canada and a consequent rise in wheat prices.

Strength of Pools

But we cannot test the value of the pools by their control over prices. On this basis I fear they have no value. Do they have what may be termed a spiritual value? It is a good thing to have the farmer awake, alert, fighting his supposed enemies. For heaven helps those that help themselves. Hence the by-products of the pool may be worth while. The pools educate the farmer about grading and credit and storage and other grain trade problems. He can probably pick out the kernels of truth from the tremendous mass of misinformation passed out to him.

Weakness of Pools

The weakness of the pools have been mentioned in the matter of delays in paying farmers, high costs of operation, speculative losses through holding, and big promises which cannot be fulfilled. There remains the one fundamental economic weakness—the fallacy concerning "orderly marketing versus dumping." Their belief in "merchandising," in "orderly marketing" is, of course, a superstition—a belief not founded on facts. The whole structure of pooling rests on the foundation of so-called "merchandising." In other words, the pooling theory is that "dumping" wheat on the market in the fall breaks the price.

This causes the pooling advocates to base their price theory on the control of the flow of the grain, on "orderly marketing"—moving one-twelfth of crop to market each month. The general objection to this theory is that the production of wheat is not "orderly" but very fluctuating; the demand for wheat is not "orderly" but very fluctuating; therefore the "orderly" flow to market would not stabilize prices.

The specific answer to this theory is that the receipts of wheat at the market daily, weekly, or monthly, when examined statistically, are seen to have very little influence on the price movement. In short, "dumping" does not break the price. Elsewhere I have published fairly elaborate charts and graphs proving this point, I think, beyond controversy. (See Boyle, *Chicago Wheat Prices for 81 Crop Years*. Also, Boyle, *Chicago Wheat Receipts and Wheat Prices for 10 Crop Years*; *Minneapolis Wheat Prices for 39 Crop Years*.) I will mail these to interested persons, upon written request.

For the 43 crop years, 1871-1913, the average price of cash wheat at Chicago (on the basis of 100 for the year's price) was as follows by months:

July	96	November	98	March	100
August	98	December	98	April	102
September	101	January	100	May	106
October	98	February	100	June	102

That is, the total spread for the year was nine cents—barely enough to cover carrying charges.

The Minneapolis cash prices for No. 1 Northern wheat for the 39 crop years, 1883-1921, actual prices, were as follows:

Sept. ... \$1.0316	Jan. ... \$1.0591	May ... \$1.1359
Oct. ... 1.0318	Feb. ... 1.0537	June ... 1.0882
Nov. ... 1.0242	March ... 1.0541	July ... 1.0949
Dec. ... 1.0303	April ... 1.0859	Aug. ... 1.0873

Testing "dumping" statistically, by taking wheat receipts and wheat prices for 10 crop years on the Chicago market (July 1, 1904—June 30, 1914), we find the following facts: daily receipts have little



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effect on price. In these 10 years there were only five days with no wheat receipts in Chicago. We may compare the five days of no receipts with the six days of heaviest receipts (i. e., receipts of over 1,000,000 bushels). The influence on price of these immense fluctuations in receipts is seen to be negligible.

Five Days With No Receipts

Taking all the days when there were not receipts, and tabulating them with the preceding and following market days, we get a photograph of what took place. It is as follows:

		Receipts	Av. Price
June 10	June 9.....	2,000 bushels.....	105 1/2
Sat.	10.....	bushels.....	106 1/2
	12.....	10,000 bushels.....	106
June 16	June 15.....	10,000 bushels.....	103 1/2
Fri.	16.....	bushels.....	105 1/2
	17.....	3,000 bushels.....	106 1/2
June 24	June 23.....	2,000 bushels.....	111 1/2
Sat.	24.....	bushels.....	111
	26.....	6,000 bushels.....	111
1909			
May 15	May 14.....	432,400 bushels.....	137
Sat.	15.....	bushels.....	137
	17.....	4,800 bushels.....	137 1/2
May 27	May 26.....	6,000 bushels.....	143
Fri.	27.....	bushels.....	142
	28.....	4,800 bushels.....	142

Six Days with 1,000,000 Bushels Receipts

Taking all the days when there were over a million bushels a day of receipts, and tabulating them with the preceding and following market days, we get:

		Receipts	Av. Price
July 28	July 27.....	831,600 bushels.....	119 1/2
Wed.	28.....	1,020,100 bushels.....	119 1/2
	29.....	484,800 bushels.....	120 1/2
1911			
July 19	July 18.....	688,300 bushels.....	94 1/2
Wed.	19.....	1,002,400 bushels.....	94
	20.....	628,300 bushels.....	94 1/2
1913			
July 23	July 22.....	550,000 bushels.....	89 1/2
Wed.	23.....	1,121,000 bushels.....	89 1/2
	24.....	537,000 bushels.....	89 1/2

July 30	July 29.....	810,000 bushels.....	88 1/2
Wed.	30.....	1,120,000 bushels.....	88 1/2
	31.....	714,000 bushels.....	88
Aug. 6	Aug. 5.....	736,000 bushels.....	88 1/2
Wed.	6.....	1,442,000 bushels.....	88
	7.....	610,000 bushels.....	88
Aug. 13	Aug. 12.....	721,000 bushels.....	88
Wed.	13.....	1,131,000 bushels.....	88 1/2
	14.....	500,000 bushels.....	89 1/2

The market price of wheat on the organized grain exchanges of the world is now an "orderly" price, rising in long run and on the average, barely enough between harvest and spring to cover the actual carrying charges of storage, insurance and interest.

It is true we move one-half our wheat crop to market within 90 days of harvest. This is exactly as it should be. For wheat is a world crop, and the flow of the United States stream of wheat must be co-ordinated with the flow of wheat into export from the competing export countries, which it is, as shown in the following table:

Wheat Exports for Five Crop Years, 1918-19—1922-23				
	July-October	Nov.-Feb.	March-June	
	Per Exports	Per Exports	Per Exports	
United States	118,032,000	54	79,239,000	36
Canada	43,505,000	20	80,512,000	36
Argentina	37,287,000	17	34,399,000	16
Australia	20,600,000	9	27,644,000	12
	219,424,000	100	221,794,000	100

Thus we see that the flow into export was substantially 220,000,000 bushels each third of the year, the heavy flow of the United States giving place, first to Canada, then to Argentina and Australia. Thus the phrases "orderly marketing," "merchandising versus dumping," when applied to wheat, have no validity.

Summary

Viewed from the long perspective of economic history of industrial pools, and viewed also from the immediate viewpoint of the aim and economic foundation of the grain pool, the present wheat pools cannot survive long in their present form. They will all disappear. A few will be superseded by some stronger, sounder and more economic form of business organization. They represent, therefore, but a temporary and evanescent phase of our economic evolution.

In short, the pool is not co-operation, but a substitute for it. It is an enemy of the farmers elevator. And there is no substitute for the farmers elevator.

Mr. Clement: I desire to claim the attention of the convention for a few moments at this time. Gentlemen of the convention, it is my desire to preface my few remarks with a quotation from one of the poets that speaks particularly and warmly to our hearts:

I wrote my name upon the sand, and trusted it would stand for aye;
But soon, alas! the refluent sea washed my feeble lines away.

I carved my name upon the wood and after I returned again,
I missed the shadow of the tree that stretched of old upon the plain.

To solid marble next my name I gave as a perpetual trust,
An earthquake rent it at its base and now it lies o'erlaid with dust.

I turned and asked myself what then, if I would have my name endure?
I'll write it on the hearts of men, in characters of living light,
Of kindly deeds and actions wrought, and these shall live
Beyond the touch of time, simply as my thought.

My friends, in these lines we find inspiration for service. No man who ever served the Association in any capacity ever hoped to reap any reward than that of the consciousness of duty done, or service performed, and at this moment it is my privilege and pleasure to present to our President, who has served us with such signal honor, with such distinction and efficiency, with such unselfishness, with this silver token of the gratitude and affection of this great national organization. May he take it to his home where it may through the corridors of time speak to those who shall come after him of the love and devotion and respect and admiration of those whom he has served with such signal honor.

(A large silver tray was presented on behalf of the Association to Mr. Watkins.)

The President: There are occasions in our lives when we feel well nigh overwhelmed. To me, this is one of those occasions. Your many past kindnesses and evidences of appreciation for my efforts on various committees and finally as your president have laid upon me a great debt of gratitude. Not unmindful of these honors bestowed upon me, I feel today that I value most the opportunities which have thus been offered to make many new and firm friends throughout the length and breadth of the land within the grain fraternity. These friendships I will foster and cherish throughout my life, and I am sure they will grow deeper and richer as time goes on, and will live in my memory always. Someone has said that "A friend is a fellow who knows all about you and still likes you." I am constrained to believe that I have many such friends in this Association.

And now comes this further

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mellow white light and purity will ever bear testimony to me of that genuine friendship which exists between us.

It is evident that your committee in its wisdom has made choice of a gift which would appeal strongly to the feminine heart, recognizing that fact, too seldom given public expression, of the sacrifices for and contributions to the success of our endeavors unobtrusively and unselfishly given in the seclusion of our homes by our ladies. I am very proud and profoundly grateful to have had a small part in the success of this Association. A noteworthy past lies behind us, but of much more interest and importance, the way lies broad and open before us to still greater achievements and still higher service.

My friends, be assured of the heartfelt appreciation of Mrs. Watkins and myself for this beautiful symbol of the friendship and affection which runs from you to us and from us to you.

We next have the report of the Feed Products Committee. Is Mr. Dreyer in the room?

Mr. Wehmann: Mr. Dreyer was unable to attend this morning, and he asked me if I would read this report for him.

The President: We will go right through with our program and can finish in a very short time.

REPORT OF THE FEED PRODUCTS COMMITTEE

OUR committee is very much pleased to be able to report additional progress made during the past year along the lines of uniformity in state regulations governing sales of feed stuffs, a great many states having within the past year adopted the Uniform Registration Blank, have also accepted the registration on various feeds in line with the recommendations of the Feed Committee of the Feed Control Officials at their convention last November. This, thanks to the effort of Dr. W. F. Hand, state chemist of the State of Mississippi, who as Chairman of the Committee appointed by the Association of the Feed Control Officials of the United States has put in a great deal of time and effort working out this proposition. As a consequence, a great deal of progress has been made until there are now very few states that have not in a way modified their regulations to conform as nearly as possible to uniform program insofar as the State Officials' authority permits. In some few cases it is necessary to bring these matters before the legislature of the state inasmuch as the laws must be changed.

Dr. Hand is now working on his third annual report of the joint committee on uniform labels and guaranteed forms which he will present to the Association of Feed Control Officials of the United States at their annual meeting in Washington next month. In this report he will suggest, among other valuable information that the Association of Feed Control Officials publish in pamphlet or book form the names of the officers of the Association, the committees of the Association, the names and addresses of the feed control officials of all states, the constitution of the Association, the uniform regulations, copies of uniform registration blanks, types of uniform tags covering most every feed now sold in interstate commerce, likewise the requirements covering registration of feeds, the definitions of various feeds as promulgated by the Association, and the methods of sampling and analyzing feeds. In fact, this booklet will be of the greatest value to all feed distributors and manufacturers and at the same time be almost absolutely essential to every feed official.

I am also pleased to advise that it has been my observation that almost without exception all of the Feed Control Officials have given their hearty support and approval toward the uniform program that has been outlined heretofore.

Your committee is also pleased to report that the feed rules governing transactions in feed stuffs are working out very nicely. There have been very few cases of arbitration on feed disputes before either your Association or the United States Feed Distributors Association during the past year. As anticipated, however, there were still a few of these rules that required some little correction and as a consequence these rules were almost the chief topic of interest during the convention of the United States Feed Distributors Association which was held here in Cincinnati the past two days, the following changes having been adopted by the Feed Distributors Association.

National Trade Rules Governing Transactions in Feed Stuffs

Amended September 22, 1924

Rules 1 to 7, inclusive. No change.

Rule 8. Maker of Feed. (a) A sale of feed stuffs by any miller or manufacturer shall mean goods of his own manufacture and brand, unless otherwise agreed at the time of the sale.

Rule 8 (b) to 14, inclusive. No change.

Rule 15, Paragraph 8. Changed to read as follows:

The contract shall be deemed broken by the buyer at the expiration of the time of shipment mentioned or provided for in the contract, in the following case, viz: If specifications are demanded by seller during contract time, and buyer has failed to furnish same in accordance with the foregoing provisions, and the seller has not during contract time given notice to buyer of the seller's election to treat the contract as broken. If the seller elects to hold buyer for breach of contract, the seller shall give notice to

the buyer of such election by sending a telegram or mailing a letter to the buyer prior to noon of the day following the expiration of the time of shipment specified or provided for in the contract.

Inasmuch as the United States Feed Distributors Association is now affiliated with your Association and you have heretofore adopted their recommendations governing changes in feed rules, your Committee offers these to you with a recommendation that your Association likewise adopt same. I therefore make this in the form of a motion.

Mr. Green: I second the motion, Mr. President, that they be adopted by this Association.

The President: I may explain to you that it has been customary for this body to accept the recommendations of the Feed Department or branch of our organization, because they have thoroughly gone over those and have decided upon them as being what they want in the way of rules, and it is not for us to go back of their decision in that regard.

(The motion was then put and carried.)

The President: I would like to call attention to one thing. They are already amending those Rules 14 and 15, which compare with 6 and 7 of ours.

The next order of business is the report of the Milling and Grain Joint Committee, Mr. Richard P. Johnson, chairman, Knoxville, Tenn.

Mr. Green: He is not in the room.

The President: The Merchant Marine Committee. No report.

The International Relations Committee. No report. Hay and Grain Joint Committee, George S. Bridge, chairman, Chicago, Ill.

REPORT OF THE HAY AND GRAIN JOINT COMMITTEE

The Secretary: Mr. Bridge has submitted this report for this committee. (Reads report): Gentlemen: No matters of sufficient importance to jus-



E. C. DREYER

tify calling a meeting of the committee occurred, so no meeting was held.

The members of the committee are of the opinion, however, that the Grain Dealers National Association should consider the action of the National Hay Association which has decided that the most important problem it is now confronting is to increase the market outlet for hay. The members of the National Hay Association know that horses and mules used in cities, towns and villages and in other non-agricultural work, each consume three tons of hay—or a little more—per year; that such hay naturally moves through the regular market channels, i.e., through hay dealers. They know, also, that lack of demand means lower prices, which in turn tends to keep hay on the farm, for when prices are low farmers would rather feed their hay to livestock than to go to the expense of baling and hauling it to market. The net result is that hay dealers have less hay to handle, and less in net profits. Increasing the number of horses and mules in non-agricultural work is a direct and practical way of increasing the market outlet for hay, which adds to the business done by hay dealers.

Grain dealers have the same financial interest in increasing horse and mule use. Each horse or mule in city work consumes, on the average, 186 bushels of oats per year, or grain equivalent thereto. When the horses are in use we sell the grain they eat; when not in use, we do not sell such grain, for it is fed to livestock on farms instead of passing through the usual trade channels.

In December, 1922, Robert McDougal, then president of the Chicago Board of Trade, estimated that farmers were losing \$30,000,000 per year on the value of their oats crop. He said:

"In 1910 there were 3,453,160 horses and mules in the cities, while in 1922 there were a trifle more than half that number, or 1,705,611 horses and 378,250

mules. Since city horses are largely fed upon oats and hay, a falling off in the number of horses would naturally mark a substantial decrease in the demand for these products. Before we were using gasoline, we found prices of oats averaged about 62 cents lower than wheat prices. But now, during the last few years, prices of oats have averaged 65 cents lower than wheat. With one and a half million fewer horses to feed, a three cent drop in price would be quite natural. Since our oats crop is usually about one billion bushels, you can readily calculate that this three cent drop means a \$30,000,000 annual loss to farmers. Probably the same amount should be added for hay, because our hay crop is as big as ever and the demand is much less."

The spread mentioned by Mr. McDougal has grown still greater in the last two years. For example on September 6, Chicago Board of Trade quotations show September oats 74 cents below wheat; December 75 cents below wheat, May 77 cents below wheat. Not all of this reduction in the price of oats as compared to wheat can be proved to be due to the reduction in the use of horses and mules in the cities, but most of it may fairly be attributed to this cause; for the total reduction in use of horses and mules in non-agricultural work in the United States, between 1910 and 1920, amounted to 1,369,299 head or a decrease of 39 per cent in that decade, wiping out a market for 254,689,614 bushels of oats, which is from 20 per cent to 25 per cent of our usual oat crop.

The reduction in the use of horses and mules in non-agricultural work is therefore of vital interest to farmers, because it depresses demand and consequently prices on the whole crop. It hits us as grain and feed dealers because it cuts our sales; and it hurts the business men in two ways. In the first place, he has to pay more for his hauling when he uses motor trucks instead of horses; in the second place his very important customer, the farmer, has less to spend.

The practical point, from the grain dealer's view, is that horses and mules at work in cities require oats which go through our hands. Their absence means that we sell that much less. Some argue that we sell the oats anyway, for other uses. This is foolish, for practical men know that other markets for oats have shown no appreciable increase. Reduced market demand and lowering of prices, as compared with other grains, means the oats we formerly sold for horse feed, are fed to livestock on the farm where raised, or on nearby farms, and do not pass through our hands; hence we are out that business, and whatever profit it might bring us.

The National Hay Association has recognized the hay situation by appropriating \$5,000 to help bring horses back into use. The expenditure of this is being made through the Horse Association of America which has the organization, equipment, trained personnel and a recognized standing which has resulted from more than four years of carefully planned, systematically conducted work. The money from the National Hay Association is paid in monthly installments to the Horse Association of America, and goes directly to increase the effectiveness of work already being done to bring horses and mules back into use by convincing business men of the sound advantages resulting from their use.

Your committee recommends that the Grain Dealers Association give immediate and favorable consideration to some similar plan to widen grain markets.

The President: What shall be done with the report?

Mr. Manning: I move that the report be received and placed on file.

(Motion duly seconded, and carried.)

The President: We will now proceed to special committees, and take up the report of the Committee on Resolutions first, Mr. Horner, Chairman. We will follow the procedure, in the adoption of these resolutions, of giving a sufficient time to offer any objection or amendments, and at the fall of the gavel we will consider the resolution adopted, and then after they have all been read, we will adopt them in toto. Is there any objection to that form of procedure?

REPORT OF THE RESOLUTIONS COMMITTEE

Mr. Horner: I would like to say in explanation that the committee have decided not to use the old form which has been customary, but to substitute what we might call a declaration, as we considered that it was a little more simple and more in keeping with a business organization of this kind, and we hope it will meet with the approval of the convention.

The first resolution is on yellow wheat.

Yellow Wheat

We favor the elimination of the grade of Yellow Hard Winter wheat as a separate grade, as it is now classified under the Federal grain standards for the inspection of grain and the inclusion in the grade of Hard Red Winter wheat of both the Yellow and Hard Winter types.

Mindful of the fact that the purpose of Federal standards is uniformity in grading, also the protection, progress and welfare of agricultural communities, we believe the abolishing of the class of Yellow Hard Winter and retaining only the two classes of Hard Winter and Dark Hard Winter would be bene-

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ficial to the producer and at the same time simplify inspection.

I would just like to say in explanation that that conforms to the petition which has been made to the Secretary of Agriculture and endorsed by the following markets: St. Louis, Omaha, St. Joe, New York, Philadelphia, Kansas City, Peoria, Baltimore, New Orleans, Memphis.

The President: If there is no objection to the amendment, the resolution will be declared adopted. No objections; it is adopted.

Mr. Horner: Now, the next one, "Principles of Business Conduct" or "Code of Ethics"—there was a demand that the Resolutions Committee bring in a code of ethics. Well, that represents a stupendous task for a Resolutions Committee to devise an adequate code. But the United States Chamber of Commerce appointed a committee about two years ago, under Judge Edwin B. Parker, to bring in a code of ethics, which was brought in at their last meeting in Cleveland and adopted, and they are making an effort to secure the adoption of the same code and secure uniformity, by all business organizations, and at this time they have four hundred signatures to that, and the Committee thought it advisable, if you care to adopt any code, to adopt the code already adopted by the United States Chamber of Commerce, as it seems to fit our situation, and I will read it.

Principles of Business Conduct

The function of business is to provide for the material needs of mankind, and to increase the wealth of the world and the value and happiness of life. In order to perform its function it must offer a sufficient opportunity for gain to compensate individuals who assume its risks, but the motives which lead individuals to engage in business are not to be confused with the function of business itself. When business enterprise is successfully carried on with constant and efficient endeavor to reduce the cost of production and distribution, to improve the equality of its products, and to give fair treatment to customers, capital, management, and labor, it renders public service of the highest value.

We believe the expression of principles drawn from these fundamental truths will furnish practical guides for the conduct of business as a whole and for each individual enterprise.

I.

The foundation of business is confidence, which springs from integrity, fair dealing, efficient service, and mutual benefit.

II.

The reward of business for service rendered is a fair profit plus a safe reserve, commensurate with risks involved and foresight exercised.

III.

Equitable consideration is due in business alike to capital, management, employees, and the public.

IV.

Knowledge—thorough and specific—and unceasing study of the facts and forces affecting a business en-

terprise are essential to a lasting individual success and to efficient service to the public.

V.

Permanency and continuity of service are basic aims of business, that knowledge gained may be fully utilized, confidence established and efficiency increased.

VI.

Obligations to itself and society prompt business unceasingly to strive toward continuity of operation, bettering conditions of employment, and increasing

the efficiency and opportunities of individual employees.

VII.

Contracts and undertakings, written or oral, are to be performed in letter and in spirit. Changed conditions do not justify their cancellation without mutual consent.

VIII.

Representation of goods and services should be truthfully made and scrupulously fulfilled.

IX.

Waste in any form—of capital, labor, services, materials, or natural resources—is intolerable and constant effort will be made towards its elimination.

X.

Excesses of every nature— inflation of credit, over-expansion, over-buying, over-stimulation of sales—



PAUL LARSON AND J. A. HALLAM

which create artificial conditions and produce crises and depressions are condemned.

XI.

Unfair competition, embracing all acts characterized by bad faith, deception, fraud or oppression, including commercial bribery, is wasteful, despicable, and a public wrong. Business will rely for its success on the excellence of its own service.

XII.

Controversies will, where possible, be adjusted by voluntary agreement or impartial arbitration.

XIII.

Corporate forms do not absolve from or alter the moral obligations of individuals. Responsibilities will be as courageously and conscientiously discharged by those acting in representative capacities as when acting for themselves.

XIV.

Lawful co-operation among business men and in useful business organizations in support of these principles of business conduct is commended.

XV.

Business should render restrictive legislation unnecessary through so conducting itself as to deserve and inspire public confidence.

Budget System

We reiterate the stand previously taken by this Association, in endorsing the Budget System of control of Government expenditures, which has already produced striking benefits, and recommend its continuance and the extension of this practice to state and local governments, in order that every citizen may know in what manner, for what amounts, and for what purposes his taxes are expended.

Telephone and Telegraph

Since Congress has relieved us of the Federal tax on telegraphic and telephonic communication, efforts have been and are being made by the companies in various states and localities to increase rates to offset such tax savings and to impose burdensome regulations on users of such service.

In the belief that an impartial and economic survey and investigation of all matters affecting rates and conditions of service by these companies, would develop good reasons for reductions in rates below the peak of war time tariffs and more reasonable conditions and terms of service, we recommend this field as worthy the attention of Congress at its next session.

Government Ownership

The position of the Grain Dealers National Association now, as always, squares with the ideas and ideals of the fathers of our Constitutional Government in their effort and intention to restrict the functions of our Government to strictly governmental affairs, and to give the freest possible scope to individual action and initiative and to confine the inter-

ference of governmental agencies with business and commerce to such control of monopolies as might be absolutely necessary.

History and contemporary events confirm us in the belief that governmental activities in business and commerce are coincident with extravagance, inefficiency, inequalities and consequent discontent and we stand firmly and unalterably opposed to even the suggestion of Governmental ownership of railroads, or other business enterprises, also to the use of national funds, gathered through taxation and belonging to all the people, for the purpose of assisting any group or class to engage in business enterprises in competition with individual initiative and capital.

Metric System

We emphatically condemn any such attempt as the Britton Bill, H. R. 10, of the last session of Congress, which would establish the Metric System of weights and measures, as the confusion and expense which would result from the transition from our present system would more than counterbalance any possible benefits that might result in future years.

Judiciary System

We reiterate our confidence and pride in the integrity and wisdom of our courts and oppose any attempt to repeal or abridge the present constitutional powers of our judiciary system.

Federal Trade Commission

The administration of the Federal Trade Commission represents an ever increasing menace to the conduct of honest and capable business effort and is being conducted not only with utter disregard for the rights of individuals and the best interests of the country at large, but often in a vindictive, sinister manner unworthy of any governmental agency and in its rapidly increasing cost of administration now represents a sum of material importance in our national expenditure which could be entirely eliminated with decided benefit to the entire country.

Howell-Barkley Bill

The Transportation Act of 1920 is the most constructive piece of railroad legislation of the present generation and under its administration our railroads are rapidly approaching an efficiency commensurate with the business needs of the country with every promise of ability to reduce present freight rates in the near future without disregard for the rights of railroad security owners and we believe that the important principles and provisions of the Transportation Act of 1920 should be continued, and especially condemn such amendments as the Howell-Barkley Bill which would directly and indirectly so increase the expense and decrease the efficiency of operation of the railroads as to preclude any hope of any reduction in freight rates in the immediate future.

Hosts

The members of the Grain Dealers National Association have been greatly impressed by the cordiality of the hospitality which has been shown them while in Cincinnati and by the constant solicitude which has



W. J. EDWARDS

been exhibited for their welfare and entertainment, and wish to extend their thanks and express their appreciation to the Cincinnati Grain and Hay Exchange and all the Entertainment Committee who have so ably and successfully assisted in adding to the pleasure of our visit, and we wish to extend our especial thanks to the Ladies Entertainment Committee.

Speakers

The Grain Dealers National Association feels that it has been honored by the presence on its program of persons of such prominence and ability as—Frederick

H. W. REIMANN

terprise are essential to a lasting individual success and to efficient service to the public.

V.

Permanency and continuity of service are basic aims of business, that knowledge gained may be fully utilized, confidence established and efficiency increased.

VI.

Obligations to itself and society prompt business unceasingly to strive toward continuity of operation, bettering conditions of employment, and increasing

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N. Withey, Hon. Roland W. Baggott, Henry S. Ives, Hon. Jas. T. Begg, Prof. J. E. Boyle, W. A. Colston, and others to express its appreciation and thanks for the valued and enjoyable addresses to which they have been privileged to listen.

The President: A motion is now in order to adopt the resolutions as a whole.

Mr. McCord: I move the adoption of the report of the committee, as a whole. (Motion seconded and carried.)

The President: The next is the report of the Auditing Committee.

Mr. Reimann: In the absence of the chairman, I will read the report:

REPORT OF AUDITING COMMITTEE

The accounts of the Association for the current convention year have been audited by certified public accountants. We have examined this report and unqualifiedly approve same. We also wish to take this opportunity of commending the completeness and neatness of the reports and records of the office of the secretary and treasurer.

Mr. Green: Mr. President, I move that the report of the committee be accepted. (Motion duly seconded and carried.)

The President: The next order of business is the report of the Nominating Committee, Mr. E. C. Eikenberry, chairman.

Mr. Eikenberry: Your Committee on Nominations begs leave to report as follows:

President—F. G. Horner, Lawrenceville, Ill.

First vice-president—C. D. Sturtevant, Omaha, Neb.

Second vice-president—Jno. S. Green, Louisville, Ky.

Directors: J. W. McCord, Columbus, Ohio; George

B. Wood, Buffalo, N. Y.; H. L. Shellenberger, Geneseo, Kan.; J. R. Murrel, Jr., Cedar Rapids, Iowa; F. E. Gillett, Nashville, Tenn.; H. W. Reimann, Shelbyville, Ind.; Geo. E. Booth, Chicago, Ill.; W. M. Randels, Enid, Okla.; W. W. Manning, Fort Worth, Texas; Reeve Harden, Hamburg, N. J.; W. Carey Cook, Fort Collins, Colo.; L. W. Forbell, New York, N. Y.; H. R. Wilber, Jamestown, N. Y.; E. M. Wayne, Delavan, Ill.; E. C. Dreyer, St. Louis, Mo.

Mr. President, these are our recommendations, and I therefore move the adoption of the report.

The President: Are there other nominations?

Mr. Eikenberry: If I may, I will substitute for that motion that the rules be suspended and the secretary be instructed to cast the vote of the Association for the officers recommended by your committee. (Motion duly seconded and carried.)

The President: I will designate as a special committee to escort the new President to the platform, E. C. Eikenberry, chairman, Henry Goemann, and B. D. Clement. (President Elect F. G. Horner escorted to the platform by the committee.)

Mr. Watkins: I want to say one more word before I climb down from the platform. We now have the work of the Association in better hands.

President Horner: Gentlemen of the convention, I thank you. I thank you heartily and sincerely. It is a real honor to be chosen president of this organization, not only on account of the size of the membership and importance of the interests that you represent, but on account of the record that the Grain Dealers National Association has established, for our grain trade associations have always stood four-square to the very highest type of business ability, and it should be a matter of pride to all of us that on public questions our attitude has been in such marked contrast to that of some other organizations that are prominent at the present time. I am certain that no representative of the grain trade Association ever appeared in legislative halls or administrative chambers seeking special favor for special advantage for his trade, but when necessity has occasioned his appearance in such places it has always been for resisting the efforts of other interests feeding at the public trough. It will be my endeavor to continue these policies and to advance and further the interests of the Grain Dealers National Association to the limit of my ability, and I ask of you the same hearty co-operation which you have always extended to your executive officers in the past. Gentlemen, I thank you.

It occurs to me that a body of men that have made the mistake that you have just made would not care to dwell on it very long, and therefore I would suggest that a motion to adjourn would be in order. A meeting of the Board of Directors will be held in this room immediately following the adjournment of this session.

(On motion, the convention then adjourned.)

Queen City Notes

Note books were supplied at the meeting by the Flanley Grain Company, wholesale grain merchants of Omaha, Neb.

The total attendance was well over 500 men, in addition to which there were close to 200 ladies registered as being present.

The menu for the annual banquet was of an attractive design in the form of a shock of wheat. It presented the greetings of the Cincinnati Grain and Hay Exchange to the visitors, the toastmaster and speakers on the program and the officers and directors of the

Cincinnati Grain and Hay Exchange with the Exchange department managers and chairmen of the Convention Committees.

Ohio grain men are chivalrous. There were over 100 dealers from that state in attendance and 50 of these brought their wives with them.

W. B. Sutton distributed lead pencils among the members of the Association with the compliments of Huntley Manufacturing Company of Silver Creek, N. Y.

"Big Bill" Riley, chairman of the Entertainment Committee, filled this important office with unusual efficiency. The series of entertainments provided delighted everyone.

E. T. Custenborder of Sidney, Ohio, showed ears of corn grown in Shelby County, Ohio. They were well past the frost stage and would run about 50 bushels to the acre.

A very useful souvenir in the form of a handsome leather note book was distributed among the visiting grain men by representatives of the Early & Daniel Company.

L. B. Miller of Springfield, Ohio, Edgar Thierwechter of Oak Harbor, Ohio, and Edgar H. Evans of Indianapolis, Ind., were official delegates from the Millers National Federation.

W. M. Bartlett, in charge of the scale department of the Cincinnati branch of Fairbanks, Morse & Co., of Chicago, Ill., showed types of scales, grain testers, etc., of this popular make.

Secretary Charles Quinn is a wise old owl. That's how come perhaps, that after a resolution had passed indorsing the Association's official organ, he figuratively flapped his wings and cried: "Hoo's Hoo!"

Harry Howard, of Cincinnati, was voted the handsomest man at the ball by the ladies on Tuesday night. It's only fair to Ed Wayne, of Illinois, to say that he was not in the hall when the decision was rendered.

Walter H. Toberman of Toberman, Mackey & Co., of St. Louis, Mo., and Samuel L. Rice of Metamora Elevator Company, of Metamora, Ohio, were delegates to the convention from the National Hay Association.

Very many grain dealers stopped before the O. W. Randolph Company booth, where O. W. Randolph exhibited a model of the Terminal Elevator Randolph Grain Drier operating with pulverized coal for fuel.

While the races being in progress at Latonia during the convention may have been a coincidence, it seems admitted that numerous taxi trips followed by an occasional cashing of checks was scarcely a coincidence.

W. M. Huff, secretary of Kellogg-Huff Grain Company of St. Joseph, Mo., brought to the meeting four ears of corn raised just out of St. Joseph which were fully matured and would run 85 bushels to the acre.

Very many new friends were made at the convention by J. A. Kittilsen, vice-president and representing the K. I. Willis Corporation, of Moline, Ill., manufacturers of "Superior" Elevator Cups and Sheet Metal specialties.

On Tuesday the ladies were honored guests. In addition to the attractive luncheon at the Hotel Sinton, they were motored around the boulevard system of the city and had an opportunity to inspect the famous zoological gardens.

The members of the famous Cedar Rapids, Iowa, quartette hung their harps on the willows and failed to lift up their voices in song. How could they sing in a strange land, far from the inspiration of Iowa's fields of growing corn?

The Chief Grain Inspectors National Association held an excellent meeting and elected David H. Larkin, Baltimore, president for the coming year; A. A. Breed of Milwaukee, Wis., vice-president, and F. B. Tompkins, Peoria, secretary and treasurer.

The seven car St. Louis special to the convention ran as the third section of the New Yorker, one of the Pennsylvania Railroad Company's crack trains, and was operated under arrangements made by Tilghman A. Bryant, of the St. Louis market.

It is reported that the directors of the Chicago Board of Trade contemplate taking some action over the arrest of Howard Lipsey at the banquet on Tuesday evening. Never can tell what a grain man may do when he is far from home and his wife isn't looking.

H. G. Pollock, head of the Pollock Grain Company, Middle Point, Ohio, is a booster for Ohio, all right enough and chose a wonderful picture of crop production to adorn the company card which he gave out at the convention, but what had the beautiful lady to do with it?

E. H. Beer brought the interesting news from Baltimore, Md., that the new 3,800,000-bushel Baltimore & Ohio Railroad Company elevator opened for business Monday preceding the convention and had been declared "regular" under the rules of the Baltimore Chamber of Commerce.

A cheery spirit was fostered at the session by Curtis Williams, who had been introduced as the blind veteran musician. He was seen before and after sessions in the corridors, strumming his instrument and singing, and was present throughout the meetings, apparently an interested listener, down front.

The rivalry between Chas. B. Riley and J. W. McCord, the respective state secretaries of Indiana and Ohio, with reference to attendance seems to have culminated in victory for the Buckeyes. After the con-

vention Joe McCord addressed a letter to his friendly competitor calling his attention to there having been 104 men and 48 ladies present from Ohio (exclusive of Cincinnati), a total of 152, and 54 men and 14 ladies, a total of 68, from Indiana.

Paul Dorsel of Cincinnati and Miss Virginia Trimble of Covington, Ky., won the prize for dancing at the entertainment and ball on Tuesday evening. Among the contestants who received favorable consideration from the judges were Fred Mayer of Toledo and his dancing partner. Fred shakes a mean leg, and that's that.

The tinkle of bells heightened the festive atmosphere and provided a pleasing obligato during the banquet. The source of the tinkle was the bells provided as a souvenir to each guest by the Cincinnati Grain and Hay Exchange. George Alexander Mann, "the mayor of Mirthville," contributed an unending stream of wit—personal to many of those present. Few of those who came under his eye escaped the humorous onslaught.

The Attendance

ALABAMA

Wade Wood, Wood & Crabbe Grain Company, Birmingham; R. Hemphill, R. C. Hemphill & Co., Birmingham.

CALIFORNIA

M. D. Thiebaud, Los Angeles Grain Exchange, Los Angeles; L. D. Scott, Smith & Scott, Los Angeles.

COLORADO

T. E. Brentnall, Union Pacific Railway Company, Denver.

CONNECTICUT

G. Ellsworth Meech, Meech & Stoddard, Inc., Middletown; John Pickens, George S. Phelps & Co., Thompsonville.

CUBA

C. P. Conner, Havana.

GEORGIA

Dan Joseph, Dan Joseph Company, Columbus; C. N. Daniels, Atlanta Milling Company, Atlanta.

ILLINOIS

J. Carver Strong, Chicago; E. M. Wayne, Wayne-Culbertson Grain Company, Delavan; L. S. Chapman, Chicago; R. R. Rossing, Chicago; C. F. Hawkinson, Chicago; Charles S. Clark, Chicago; Alex W. Kay, Hales & Hunter Company, Chicago; J. A. Schmitz, Chicago; C. A. King, Western Weighing & Insp. Bureau, Chicago; H. W. Everett, Board of Trade, Chicago; D. E. Hobelman, AMERICAN GRAIN TRADE, Chicago; H. A. Shepard, Chicago; F. G. Horner, Horner Elevator & Milling Company, Lawrenceville; H. I. Baldwin, Baldwin Elevator Company, Peoria; H. A. Rumsey, Rumsey & Co., Chicago; Jesse Summers, Adolph Kempner & Co., Watseka; W. E. Culbertson, Illinois Grain Dealers' Association, Champaign; F. E. Davis, Mahomet Grain Company, Mahomet; B. F. Rayburn, Inland Grain Company, Mahomet; J. P. Sledge, Champaign; John E. Bacon, AMERICAN GRAIN TRADE, Chicago; Avon Burk, Burk Elevator Company, Decatur; J. A. Kittilsen, K. I. Willis Corporation, Moline; Howard Lipsey, Norris Grain Company, Chicago; L. F. Gates, Lamson Bros. & Co., Chicago; George E. Booth, Lamson Bros. & Co., Chicago; E. V. Graves, Miller & Graves, Duncan; Alfred G. Schultz, Schultz, Baujan & Co., Beardstown; Kenneth S. Templeton, James S. Templeton's Sons, Chicago; M. M. Nowak, Nowak Milling Corporation, Chicago; H. J. Kapp, H. I. Baldwin & Co., Decatur; Thomas Darby, Princeville; Charles Johnson, Board of Trade, Peoria; Ben B. Bishopp, Sheldon; O. F. Phillips, General Field Headquarters, Chicago; Jos. Sanders, Jr., 360 N. Michigan Ave., Chicago; Earl E. Dunn, Higbie Salt Company, Chicago; C. E. Graves, C. E. Graves & Co., Weston; J. D. Worsham, Sheldon Elevator Company, Sheldon; R. O. Augur, A. E. Staley Manufacturing Company, Decatur; F. B. Tompkins, Board of Trade, Peoria; Edw. B. Evans, Evans Elevator Company, Decatur; A. H. Shelby, E. G. Coon Grain Company, Sidney; M. L. Vehon, M. L. Vehon & Co., Chicago; Theo. F. Boecker, Jr., Boecker Coal & Grain Company, Naperville; J. N. Frankel, Grain Marketing Company, Chicago; Frank Ware, Ware Bros., Butler; Frank G. Ely, Chicago.

INDIANA

O. P. Larimore, Cleveland Grain & Milling Company, Indianapolis; F. M. Rosekrans, Pratt Food Company, Hammond; H. H. Deam, Studebaker Grain & Seed Company, Bluffton; Herbert F. Hanks, Terre Haute; B. B. Gordon, Logansport; Elmer Hutchinson, Hutchinson & Co., Arlington; O. E. Powell, Panners Grain Company, Rensselaer; A. E. Reynolds, Crabbs-Reynolds-Taylor Company, Crawfordsville; Adam Egly, Geneva Milling & Grain Company, Geneva; Joe P. Lackey, Indiana Wheat Growers Association, Indianapolis; Roy Brown, Rush Shelby Grain Company, Ray's Crossing; W. Apfelbaum, Kraus & Apfelbaum, Ft. Wayne; K. Kraus, Kraus & Apfelbaum, Ft. Wayne; Henry E. Waltz, New Palestine; J. G. Fox, Rush-Shelby Grain Company, Manilla; L. C. Burnside, Boggstown Grain & Supply

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Company, Boggstown; Ed K. Sheppard, Cleveland Grain & Milling Company, Indianapolis; W. M. Moore, Covington Grain Company, Covington; Ben Levy, Stiefel & Levy, Ft. Wayne; W. D. Adams, W. H. Newsom, Elizabeth; H. A. Rhoades, U. S. Department of Agriculture, Indianapolis; D. P. Simison, Simison & Hedworth, Romney; Claude Hedworth, Simison & Hedworth, Romney; Wm. R. Evans, Midwest Elevator Company, Indianapolis; Lew Hill, The Lew Hill Grain Company, Indianapolis; Bert A. Boyd, Bert A. Boyd Grain Company, Indianapolis; F. Hutchinson, Lawrenceburg Roller Mills Company, Lawrenceburg; V. E. Butler, Indianapolis; J. H. Anderson, Franklin Elevator Company, Franklin; J. C. McCammon, Reimann-McCammon Company, Letts; R. H. Hill, Hill Grain & Coal Company, Carthage; Wm. E. Stock, Stock Bros., Modoc; A. D. Shirley, Shirley Bros., Middletown; O. C. Shirley, Knightstown; N. J. Murphy, Butlerville; W. S. Wisehart, Millville; J. S. Leakey, New Lisbon Grain Company, New Lisbon; C. L. Merthlane, Pierce Elevator Company, Union City; P. E. Goodrich, Goodrich Bros. Hay & Grain Company, Winchester; O. M. Thomas, Thomas Milling Company, Marion; Walter Penrod, Farmers Co-operative Company, Matthews; Everett McVicker, Equity Exchange, Van Buren; Lowell Hutchinson, Hutchinson & Son, Arlington; Fred Paul, Spiceland Grain Company, Spiceland; C. A. Wise, Fayette Grain Company, Connerville; C. A. Russell, Indianapolis; Howard H. Mutz, Martin Cutinger, Edinburg; Newton Busenbark, Busenbark Grain Company, Crawfordsville; Harry H. Bingham, The Bingham Grain Company, Indianapolis; John H. Shine, John H. Shine & Co., New Albany; John S. McDonald, New Albany; Harold L. Gray, Crabbs-Reynolds-Taylor Company, Crawfordsville; Chas. B. Riley, Indiana Grain Dealers Association, Indianapolis; J. J. Fitzgerald, Indianapolis; E. B. Adamson, Adamson & Harman, Hagerstown; C. Wm. Maibucher, Hart-Maibucher Company, Indianapolis; Merrill D. Guild, Guild Grain Company, Fairland; N. E. Williams, Boggstown Grain Company, Boggstown; A. B. Ross, Farmers' Elevator Company, Oakville; A. N. Steinhart, Steinhart Grain Company, Indianapolis; E. E. Allison, Steinhart Grain Company, Indianapolis; H. W. Reimann, Wm. Nading Grain Company, Shelbyville.

IOWA

Chas. Flanley, Flanley Grain Company, Sioux City; Paul Larson, Sioux City Grain Exchange, Sioux City; S. P. Mason, Terminal Grain Corporation, Sioux City; C. L. Douglas, E. W. Bailey & Co., Cedar Rapids; Stephen W. Wilder, Piper Grain & Milling Company, Cedar Rapids; Ray Murrel, Ray Murrel Grain Company, Cedar Rapids; C. A. Davis, Cedar Rapids Grain Company, Cedar Rapids; Jas. H. Barrett, Lamson Bros., Cedar Rapids; G. E. Hillier, Penick & Ford, Cedar Rapids; C. G. Stoddy, Rock Island Railroad, Des Moines; Frank Todd, Joese Grain Company, Merrill; George A. Wells, Western Grain Dealers Association, Des Moines; Bert Dow, Davenport Elevator Company, Davenport; A. M. Leicht, Larchwood Grain Company, Larchwood.

KANSAS

O. E. Bedell, Bedell Elevator Company, Wichita; W. H. Morrison, Stockton; C. E. Miller, Charles E. Miller Grain Company, South Huron.

KENTUCKY

Geo. Keller, George Keller, Bellevue; Herman Riesenberg, Cincinnati Grain & Hay Exchange, Ft. Thomas; John S. Green, H. Verhoeff & Co., Louisville; W. B. Talbert, Blue Grass Elmendorf Grain Corporation, Lexington; Lee D. Irving, Louisville; D. C. Morton, Ballard & Ballard Company, Louisville; D. J. Donnelly, The McQuillan Company, Covington; Wm. Adams, Cynthia; Henry Heile, Kenton Grain & Hay Company, Covington; R. B. Lancaster, Lafayette Corn Flour Mills, Louisville; Robt. Wolcott, Wolcott Flour Mills, Lexington; W. N. Wolcott, Wolcott Flour Mills, Winchester; Alfred Brandeis, A. Brandeis & Son, Louisville; Leonard A. Hewett, Bingham-Hewett Grain Company, Louisville; C. M. Bullitt, Henderson Elevator Company, Henderson; Wm. Fedders, J. H. Fedders & Sons, Covington.

LOUISIANA

A. F. Ashner, Fulton Bag & Cotton Mills, New Orleans.

MARYLAND

E. H. Beer, E. H. Beer & Co., Inc., Baltimore; J. A. Manger, J. A. Manger & Co., Baltimore; J. A. Peterson, Western Maryland Railroad, Baltimore; David H. Larkin, Chamber of Commerce, Baltimore; H. A. Lederer, Lederer Bros., Baltimore; O. M. Gibson, C. P. Blackburn & Co., Baltimore; C. M. Horst, Hagerstown; Henry A. Lederer, Jr., Lederer Bros., Baltimore; W. H. Lederer, Lederer Bros., Baltimore; Wm. B. F. Hax, G. A. Hax & Co., Baltimore; Roger E. Lewis, B. & O. Railroad, Baltimore.

MASSACHUSETTS

Carl J. B. Currie, Park & Pollard Company, Boston; Lyman G. Smith, Jacquith, Parker, Smith & Co., Boston; E. J. Donahue, E. J. Donahue, Boston; Seth Catlin, Catlin Bros., Boston; F. E. Fenton, Boston; A. S. MacDonald, A. S. MacDonald Company, Boston.

MINNESOTA

G. H. Tunnell, Minneapolis; E. K. Warner, Archer Daniels Midland Company, Minneapolis; H. J. Bergmann, Bergmann Mill Feed, Minneapolis; A. J. Gallagher, Minneapolis; E. W. Gray, Russell & Gray Duluth.

D. G. Lowell, Washburn-Crosby Company, Minneapolis; O. A. McCrea, Pillsbury Flour Mills Company, Minneapolis; C. F. Macdonald, Duluth Board of Trade; J. W. Greer, Marfield Grain Company, Minneapolis; E. J. Grimes, Cargill Elevator Company, Minneapolis; Chas. G. Wehmann, H. Wehmann & Co., Minneapolis; P. P. Quist, Minneapolis.

MICHIGAN

Noel Cook, Noel Cook & Co., Michigan City; Fred Zinn, A. K. Zinn & Co., Battle Creek; George Smith, Smith Bros., Velte & Co., Lake Odessa; F. G. Emmons, Commercial Milling Company, Detroit.

MISSOURI

E. M. Hibbs, B. C. Christopher & Co., Kansas City; Fred W. Godfrey, Simonds-Shields-Lonsdale Commission Company, Kansas City; Fred W. Langenberg, Langenberg Bros. Grain Company, St. Louis; L. F. Schultz, Schultz & Niemeier Commission Company, St. Louis; R. Jackson, Munson Steamship Line, St. Louis; Ray L. DePew, Mobile & Ohio Railroad, St. Louis; John B. Ballard, Ballard-Messmore Grain Company, St. Louis; Fred W. Hippel, Hippel Grain Company, Kansas City; Eugene Smith, Merchants' Exchange, St. Louis; C. L. Wright, John Wahl Commission Company, St. Louis; W. H. Toberman, Toberman, Mackey & Co., St. Louis; R. R. DeArmond, St. Louis; John Stark, Mid-Continent Grain Company, Kansas City; O. A. Severance, Kansas City; T. A. Bryant, St. Louis; Henry Lichtig, Henry Lichtig Company, Kansas City; A. H. Beardsley, Picker & Beardsley, St. Louis; R. A. Jeanneret, Kansas City; L. A. Fuller, Fuller Grain Company, Kansas City; H. C. Robinson, Hunter-Robinson Milling & Grain Company, St. Louis; E. C. Dreyer, Dreyer Commission Company, St. Louis; A. E. Mann, St. Louis; Harry E. Mc-



FRANK L. WATKINS
President Cincinnati Grain and Hay Exchange

Collom, Fulton Bag & Cotton Mills, St. Louis; W. J. Edwards, W. J. Edwards Grain Company, St. Louis; E. C. Andrews, Black & White Milling Company, St. Louis; J. V. McCarty, St. Louis-Missouri Railway, St. Louis; F. H. Schlinkert, St. Louis; B. G. Day, Illinois Central Railroad Company, St. Louis; Chas. G. Simon, St. Louis; A. J. Rogers, James E. Bennett & Co., St. Louis; Roger P. Annan, Annan-Burg Grain & Milling Company, St. Louis; G. C. Martin, Jr., Martin & Knowlton Grain Company, St. Louis; H. A. Fowler, Fowler Commission Company, Kansas City; T. M. Scott, Picker & Beardsley Commission Company, St. Louis; Soma Peto, Goffe & Carkener, Kansas City; George F. Powell, Powell & O'Rourke Grain Company, St. Louis; J. H. Caldwell, Purina Mills, St. Louis; Philip Rothrock, St. Louis; F. M. McClelland, McClelland Grain Company, St. Louis; W. W. Young, Kansas Wheat Growers Association, Kansas City; C. L. Fontaine, Jr., General Commission Company, Kansas City; C. L. Weekes, Hunter Robinson, St. Louis; W. L. Marlkemus, Kellogg-Huff Commission Company, St. Louis; John M. Hawkins, Hunter-Robinson Milling & Grain Company, St. Louis; J. N. Foster, Pennsylvania Railroad, St. Louis; Harry J. Sandbothe, Fullman Company, St. Louis; R. E. Nye, Denver Alfalfa Milling Produce Company, St. Louis; W. M. Huff, Kellogg-Huff Grain Company, St. Joseph; F. W. Seele, Seele Bros. Grain Company, St. Louis.

NEBRASKA

H. R. Clark, Omaha; H. K. Schafer, Maney Grain Company, Omaha; Albert Hedelund, The United Grain Company, Omaha; J. I. Buchanan, Omaha Elevator Company, Omaha; Frank J. Taylor, Taylor Grain Company, Omaha.

NEW YORK

L. F. Eaton, Wilson & Eaton Company, Amenia; Max F. Cohn, Sunset Feed & Grain Company, Inc.,

Buffalo; Jas. H. Gray, Jas. H. Gray Milling Company, Springville; F. J. Schonhart, Electric Grain Elevator Company, Buffalo; H. E. Tweeden, Cargill Grain Company, Buffalo; Eliot W. Mitchell, Consolidated Feed & Grain, Buffalo; H. W. Wohlers, Buffalo; C. C. Lewis, Lewis Grain Corporation, Buffalo; E. C. Kessler, Ames-Burns Company, Jamestown; S. E. Provoost, Eastern Grain Mill & Elevator Corporation, Buffalo; Lloyd Hedrick, Purina Mills, Buffalo; Geo. B. Wood, Chamber of Commerce, Buffalo; H. R. Wilbur, Jamestown; Warren E. Eaton, R. D. Eaton Grain & Feed Company, Norwich; Tioga Mill & Elevator Company, Waverly; F. J. Witter, The Patent Cereal Company, Geneva; James Boyce, Thomas-Boyce Feed Company, Attica.

OHIO

D. W. Hopkins, The Mutual Commission Company, Cincinnati; A. C. Gale, A. C. Gale Company, Cincinnati; C. W. Popp, Rumsey & Co., Cincinnati; Geo. Mosbacker, Cincinnati; F. L. Watkins, Cleveland Grain & Milling Company, Cincinnati; A. M. Braun, Braun & Kipp, Cincinnati; Frank J. Currus, Currus Grain Company, Cincinnati; Will G. Stueve, Henry W. Brown & Co., Cincinnati; John E. Collins, Sr., Collins & Co., Cincinnati; E. B. Terrill, The Early & Daniel Company, Cincinnati; Max Blumenthal, Max Blumenthal, Cincinnati; John DeMolet, DeMolet Grain Company, Cincinnati; T. T. Collins, Collins & Co., Cincinnati; Clem Bunke, Barney Bunke & Sons, Cincinnati; W. R. McQuillan, The McQuillan Company, Cincinnati; Frank R. Maguire, Frank R. Maguire, Cincinnati; Chas. B. Hill, Frank R. Maguire, Cincinnati; Ellis T. Early, Early & Daniel Company, Cincinnati; Geo. Wirth, DeMolet Grain Company, Cincinnati; Paul L. Dorsel, The Dorsel Grain Company, Cincinnati; Geo. A. Nieman, Nieman & Nieman, Cincinnati; Henry Wolter, Henry Wolter & Co., Cincinnati; David Jacobs, DeMolet Grain Company, Cincinnati; August Ferger, Ferger Bros., Cincinnati; J. C. Bender, A. Bender & Sons, Cincinnati; Dan B. Granger, Dan B. Granger & Co., Cincinnati; Wm. L. Ingles, U. S. Department of Agriculture, Cincinnati; A. A. Bender, A. Bender & Sons, Cincinnati; W. A. Van Horn, W. A. Van Horn, Cincinnati; H. W. Howard, H. W. Howard & Co., Cincinnati; Geo. A. Root, Whitcomb & Root, Cincinnati; H. E. Niemeyer, H. E. Niemeyer Commission Company, Cincinnati; Lyman Perrin, The Perrin, Brouse & Skidmore Grain & Milling Company, Cincinnati; B. L. Horning, H. E. Niemeyer Commission Company, Cincinnati; Edw. A. Smith, Henry W. Brown Company, Cincinnati; Fred Hoffman, Early & Daniel Company, Cincinnati; Robt. Lee Early, Early & Daniel, Cincinnati; H. N. Atwood, H. N. Atwood & Co., Cincinnati; Fred W. Scholl, Scholl Grain Company, Cincinnati; R. W. Bender, A. Bender & Sons, Cincinnati; R. A. Seelmyer, The Seelmyer-Fox Grain Company, Cincinnati; Walter J. O'Connell, Cleveland Grain & Milling Company, Cincinnati; John H. Dorsel, The Dorsel Company, Cincinnati; Elmer H. Heile, The Cincinnati Grain & Hay Company, Cincinnati; A. L. Heile, The Cincinnati Grain & Hay Company, Cincinnati; Albert A. Heile, Cincinnati Grain & Hay Company, Cincinnati; H. Edw. Richter, Richter Grain Company, Cincinnati; L. B. Moser, A. C. Gale & Co., Cincinnati; A. Bender, A. Bender & Sons, Cincinnati; F. N. Winkler, The Mutual Commission Company, Cincinnati; E. G. Kiburtz, Grain Dealers National Association, Toledo; Charles G. Haggerty, Fitzgerald Bros. Company, Cincinnati; Charles Quinn, Grain Dealers National Association, Toledo; Henry L. Goemann, Henry L. Goemann, Mansfield; J. A. Hallarn, Grain & Hay Exchange, Cincinnati; D. J. Schuh, Cincinnati Grain & Hay Exchange, Cincinnati; R. B. Edmonds, Cincinnati Union Stock Yard Company, Cincinnati; C. O. Garver, J. J. McCord Mutual Insurance Agency, Columbus; Edward A. Fitzgerald, The Fitzgerald Bros. Company, Cincinnati; Arthur H. Cratty, Arthur H. Cratty, Columbus; F. E. Watkins, The Cleveland Grain & Milling Company, Cleveland; N. M. Richards, The Richards & Evans Company, Cortland; J. C. Custenborder, E. T. Custenborder & Co., Sidney; Ralph H. Brown, Henry W. Brown & Co., Cincinnati; C. F. Custenborder, E. F. Custenborder & Co., Sidney; Philip C. Sayles, Smith-Sayles Grain Company, Columbus; D. R. Swisher, Campbellstown; J. M. Armacost, Richards & Armacost, Campbellstown; J. B. Hill, Orient Grain Company, Orient; John H. Myers, The Farmers' Exchange, Westerville; D. M. Cash, Ohio Farm Bureau Service, Columbus; M. A. Flanagan, Ohio Farm Bureau Service, Columbus; Frank H. Tanner, Ohio Millers State Association, Columbus; J. A. Smith, The S. W. Flower Company, Toledo; P. W. Davis, Leipsic; G. F. Schweitzer, Leipsic; A. M. Daugherty, Daugherty & Co., Derby; Edgar Thierwechter, The Emery Thierwechter, Oak Harbor; R. D. Patton, The Ansted & Burk Company, Springfield; R. H. Teegardin, Teegardin Grain Company, Duvall; W. M. Bartlett, Fairbanks Morse Company, Cincinnati; John G. Troester, Sidney Grain Machinery Company, Sidney; J. M. Bell, Bauer Bros. Company, Springfield; Henry A. Wess, Henry A. Wess, Cincinnati; Geo. F. Dieterle, The Federal Products Company, Cincinnati; Earl Oglesbee, Emery Farmers' Grain Company, Springfield; John E. Collins, Jr., Dan B. Granger & Co., Cincinnati; Earl F. Skidmore, Perin-Brouse-Skidmore Grain & Milling Company, Cincinnati; C. D. Douglas, B. & O. R. R., Cincinnati; Geo. Schmitt, The Nickel Plate Elevator Company, Cleveland; C. L. Terhune, B. & O. R. R., Cincinnati; Harvey S. Heffner, The Heffner Grain Company, Circleville; Lawrence N. Helm, Norfolk & Western Railroad, Cincinnati; C. J. West,

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State Agricultural Statistician, Columbus; J. F. West, farmer, Martinsville; Virgil F. Femeau, The Dewey Bros. Company, Blanchester; John W. Diggs, New Paris Elevator Company, New Paris; E. C. Eikenberry, The Eikenberry Bros. Company, Camden; W. L. Shaffer, W. L. Shaffer & Son, Seven Mile; Howard M. Shaffer, W. L. Shaffer & Son, Seven Mile; F. S. Durr, Germantown; A. L. Hess, Mutual Commission Company, Cincinnati; J. W. Simmons, J. W. Simmons, Sidney; R. O. Strong, The J. McCullough Sons Company, Cincinnati; J. O. Coss, Ohio Central Express Company, Lima; H. F. Oestreich, Ottawa County Co-operative Company, Rocky Ridge; W. T. Heffner, The Heffner Grain Company, Circleville; Harry W. Heffner, The Heffner Grain Company, Circleville; F. W. Kibler, F. W. Kibler Milling Company, Mt. Orab; Owen Gross, Gross & Basore, Carlisle; O. H. Pool, The Waynesfield Grain Company, Waynesfield; Edward Lind, Baltimore & Ohio Railroad, Cincinnati; W. A. Sturm, Baltimore & Ohio Railroad, Cincinnati; J. J. Curl, Marion Grain & Supply Company, Marion; S. L. Rice, The Metamora Elevator Company, Metamora; C. E. Groce, Circleville; B. W. Dunney, J. Chas. McCullough Seed Company, Cincinnati; Chas. T. Pierce, Pierce & Stevens, Van Wert; James E. Stayman, Stama Elevator Company, Rockford; C. W. Pontius, Lewisburg; Ralph Andrews, Celina Equity Express Company, Celina; E. P. Fristoe, Fristoe Grain Company, Piqua; M. H. Persinger, J. E. Wells Company, Sidney; C. M. Eikenberry, The Eikenberry Bros. Company, Hamilton; W. G. Simonton, N. & W. R. R. Company, Cincinnati; C. Woodworth, Southern Railway System, Cincinnati; Geo. F. Munson, Cincinnati; Wm. J. Fritsche, Toledo; Bill Riley, Schmid Building, Cincinnati; F. C. Alston, J. M. McCullough Sons Company, Cincinnati; Jesse Lewis, Martin & Rehmert, Troy; Omer Snyder, Columbus Grain & Hay Company, Columbus; S. A. Myers, Arcanum; N. C. Gest, Ohio Grain Company, Mechanicsburg; D. T. Lloyd, Waterville Farmers' Elevator Company, Waterville; J. B. Plaist, Raabe Bros., Ft. Jennings; W. H. Threlkeld, Pence Grain Company, Columbus; J. M. Pence, The Jackson Center Grain Company, Jackson Center; K. Threlkeld, The Pence Grain Company, Maplewood; L. A. Gilliland, Gilliland Grain Company, Haviland; B. R. Hoaglin, The Scott Equity Exchange Company, Scott; O. P. Hall, E. A. Grubbs Grain Company, Greenville; J. W. McCord, McCord & Kelley, Columbus; C. A. Hiegel, Leipsic; Ed. G. Odenweller, The Odenweller Milling Company, Ottosville; O. W. Randolph, Randolph Grain Company, Toledo; Ed. Hammel, Pittsburgh; Frank C. Cain, E. I. Bailey Company, Cleveland; H. G. Pollock, Pollock Grain Company, Middle Point; E. O. Teegardin, Teegardin Grain Company, Duvall; Grant McMorran, The Duncan Seed, Hay & Grain Company, St. Paris; Geo. E. Stephenson, Rosewood Grain Company, Rosewood; H. T. Ward, Townsend-Ward Company, Fostoria; C. A. Pollock, Pollock Grain Company, Middle Point; E. L. Allton, St. Paris Grain Company, St. Paris; L. J. Schuster, C. A. King & Co., Toledo; L. E. Hiegel, Versailles Grain Company, Versailles; Lou McGlaughlin, Dan B. Granger Company, Cincinnati; O. G. Sappington, J. Chas. McCullough Seed Company, Cincinnati; Paul G. Wood, Riddle & Wood, Hilliard; H. Trimble McCullough, American Seed Trade Association, Cincinnati; H. P. Clouse of the Ohio Grain Company, Milford Center; Fred Mayer, J. F. Zahm & Co., Toledo; Wm. W. Cummings, Toledo; B. J. Wess, B. & H. Wess Grain & Coal Company, Cincinnati; W. L. E. Schlrentz, The Eaton Farmers Equity Company, Eaton; Monroe Izor, Cincinnati; L. W. Dewey, The Dewey Bros. Company, Blanchester; Jno. Wickenhiser, Jno. Wickenhiser Company, Toledo; C. E. Lloyd, Washington Court House; C. B. Helm, The Cleveland Grain & Milling Company, Cleveland; W. F. Morgan, Zanesville; J. P. Stimmel, Payne; E. F. Leonard, Southern Railway, Cincinnati; O. C. Hale, J. Chas. McCullough Seed Company, Cincinnati; S. J. Thompson, The Ubiko Milling Company, Cincinnati; Thos. G. Stephenson, Farmers Grain Company, Maplewood; L. B. Miller, The Ansted & Burk Company, Springfield; C. C. Troy, Baltimore & Ohio Railroad, Cincinnati; C. E. Hall, Baltimore & Ohio Railroad, Cincinnati; G. N. Falknor, G. N. Falknor & Sons, West Milton; Ed. S. Falknor, G. N. Falknor & Sons, West Milton; D. E. Honn, E. A. Grubbs Grain Company, Greenville; Jos. Poos, Star Elevator, Eaton; E. M. Dull, Celina; Wilbur Harmon, The Harmon Hay & Grain Company, Oakwood; C. E. Wilkinson, The Jewells Company, Sidney; A. P. Witte, The Kirkwood Grain & Supply Company, Sidney; W. H. Clay, The Quincy Grain Company, Quincy; R. E. Lacy, The Anna Farmers' Express Company, Anna; C. S. Young, The Royce & Coon Grain Company, Bowling Green; B. Ackerman, Hyman & Ackerman, Celina; Kenton Keiholtz, Southworth & Co., Toledo; S. E. Thomas, Central Inspecting & Weighing Bureau, Cincinnati.

OKLAHOMA

John O'Brien, El Reno Mill & Elevator Company, El Reno.

PENNSYLVANIA

W. A. Low, Jesse C. Stewart Company, Pittsburgh; R. A. Sheets, R. S. McCague, Ltd., Pittsburgh; Wm. E. Murphy, Horse Association of America, Philadelphia; W. O. Fehling, Samuel Bell & Sons, Philadelphia; F. J. Faber, Woolman & Co., Philadelphia; W. M. Baringer, Philadelphia; Robert Morris, Philadelphia; F. Graff, Barnes-Irwin Company, Philadelphia; L. C. Newsome, Newsome Feed & Grain Company, Pitts-

burgh; H. F. Brazer, Wm. P. Brazer & Sons, Philadelphia.

RHODE ISLAND

R. W. Kent, E. Providence.

SOUTH CAROLINA

Wade Stackhouse, Carolina Milling Company, Dillon; J. W. Bell, J. W. Bell Mill & Elevator, Spartanburg.

TENNESSEE

C. G. Robinson, Scruggs-Robinson Company, Memphis; Ferd Heckle, Heckle Bros., Memphis; Chas. D. Jones, Chas. D. Jones, Nashville; W. T. Hale, Jr., J. R. Hale & Sons, Nashville; Harry Williams, Henry Williams, Nashville; Walter M. Browne, Walter M. Browne, Memphis; R. W. Hale, J. R. Hale & Sons, Nashville; Harry Winer, Winer Feed Company, Chattanooga; J. A. Daugherty, Nashville; J. T. Roberts, Nashville; E. W. Holt, E. W. Holt, Nashville; S. S. Kerr, Nashville; Richard P. Johnson, J. A. Smith & Co., Knoxville; Jno. C. Bennett, Nashville; Michael R. Dalton, J. H. Ball & Sons, Nashville; W. H. English, W. H. English Sons, Franklin.

TEXAS

B. E. Clement, Clement Grain Company, Waco; W. W. Manning, Terminal Grain Company, Ft. Worth; Jim Rayford, Rayford Grain & Elevator Company, Sherman; Bert K. Smith, Smith Bros. Grain Company, Ft. Worth; E. W. Crouch, McGregor Milling & Grain Company, McGregor; Douglas W. King, San Antonio; Chas. P. Shearn, Jr., South Texas Grain Company, Houston; L. C. McMurtry, L. C. McMurtry Grain Company, Pampa; B. E. Clement, Jr., Clement Grain Company, Waco.

VIRGINIA

U. D. Saunders, Southern Brokerage Company, Richmond; V. L. Cafer, V. L. Cafer Company, Norfolk.

WASHINGTON, D. C.

Vernon M. Green, Green-Mist Company; G. A. Collier, U. S. Department of Agriculture.

WEST VIRGINIA

Rettig C. Singer, Pioneer Brokerage Company, Charleston; A. H. Thornton, Charleston Brokerage Company, Charleston.

WISCONSIN

O. R. Sickert, Deutsch & Sickert Company, Milwaukee; H. Juneau, Superior; A. McMillan, Superior; John W. Jouno, Donahue-Stratton Company, Milwaukee; Allen A. Breed, Milwaukee Chamber of Commerce, Milwaukee; F. B. Bell, W. M. Bell Company, Milwaukee; M. H. Ladd, Milwaukee Chamber of Commerce, Milwaukee; J. W. Conner, Wisconsin Grain & Warehouse Commission, Superior.

EUROPEAN RESTRICTION OF GRAIN EXPORTS

The prospect of a smaller world supply of small grains than last year, with consequent higher prices, is causing many European governments to take steps to protect their own supplies. Italy and France have lowered the import duties on foreign grain and Italy has restricted the export of grain and grain products. Germany and Poland, which for a time permitted limited exports of grain, are again refusing to issue export licenses.

These measures, according to the Department of Agriculture, indicate considerable concern on the part of the government officials as to the grain situation during the coming winter, which may conceivably lead to re-imposition of milling restrictions and the encouragement of substitution which will decrease the per capita bread consumption. In any case, these restrictions on exports will probably lead to an increased demand for direct imports from overseas into countries like Switzerland, which ordinarily take large quantities of bread-stuffs from the neighboring countries, although the total amount of grain imported into Europe is not likely to show any material increase.

SECRETARY WALLACE DENIES CHARGES

The termination of the appointment of John M. Burns, a law clerk in the Department of Agriculture, was characterized as "one of the most underhanded and sneaking cases of official terrorism in our country's history" in a letter from Benjamin C. Marsh, managing director of the Farmer's National Council, to President Coolidge. He charged also that Secretary Wallace appeared before the House Committee on Agriculture and "attempted to blacken the character of Mr. Burns."

Secretary Wallace issued a formal refutation

on September 24, in an answer to Mr. Marsh, which was written at the request of the President, in which the Secretary said in part:

You say that I appeared before the House Committee on Agriculture and attempted to blacken the character of Burns. There is not a word of truth in this statement. When appearing before this committee on another matter, a member referred to the charges made by Burns. I said I hoped the Agricultural Committee would have time to look into that whole matter. Whereupon a member of the committee said something to the effect that Burns seemed to be having a brain storm, and I replied that that seemed to be all there was to it. I have a good deal of sympathy for Burns, who really has some legal ability, but who seems unable to resist the malign influences of persons like yourself, and consequently becomes a victim of your evil machinations.

In concluding, the Secretary says that while the letter carries the impression that Mr. Marsh is authorized to speak for a responsible group of farmers, such is not the case. The Secretary asserts Mr. Marsh does not represent farm sentiment and is not working in the interests of the farmers.

WORLD WHEAT CROP PROSPECTS

A reduction of about 10.4 per cent compared with last year is the wheat crop prospect, according to a late estimate from the Department of Agriculture. This is based on official estimates of wheat production in 27 countries representing nearly 86 per cent of the Northern Hemisphere crop. The figures for the present year are placed at 2,344,000,000 bushels, compared to 2,616,000,000 bushels the preceding year. The only important producers in the area concerned which are not included are Russia, China, France and Roumania. The United States is prominent among the few countries showing increases.

The principal change since the preceding report is a further slight reduction in the Hungarian estimate. Reports from Russia continue to be conflicting, but unofficial reports indicate an increase of 6 to 8 per cent in the acreage of the fall sown crops of 1923-24 and that wheat sowings have been considerably increased. Unfavorable weather conditions have reduced yields, however, and even the highest production estimates are below last year. It is not expected that Russia will have any wheat for export this year.

The carryover of wheat in Canada was, on September 1, 16,000,000 bushels above the estimate for the same date last year. Total stocks for the current season including stocks in elevators, on farms, in mills and in transit amounted to 28,000,000 bushels compared with 12,000,000 bushels a year ago.

KANSAS WHEAT GROWERS REBEL

Press reports indicate that over 1,000 farmers in south central and southwestern Kansas have rebelled against the Kansas Wheat Growers Association. The movement got its start in Wichita when Isom Wright, of Great Bend, was elected president and C. O. Trower, of Wellington, was elected secretary-treasurer, of the opposing organization. Both were active in the original organization and had signed a five-year contract along with other farmers in their territory.

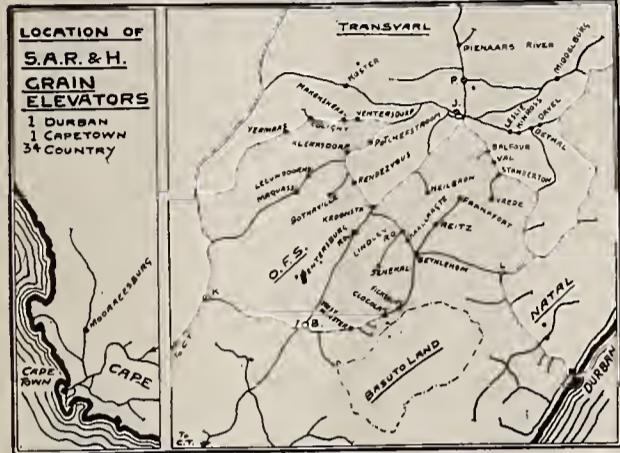
Petitions have been drawn by their attorneys, and they are reported to have said that they will fight the Kansas Wheat Growers Association to a finish. Signatures of over 1,000 farmers have been secured on the attorney's petition asking for the dissolution of the association. William McCrary, of Wilmor, Kan., called a meeting in Comanche County, and most of the farmers there who had signed the contract have contributed \$10 toward a fund to secure attorneys to avoid making deliveries to the Wheat Growers Association, of their 1924 crop. They solicited the elevator owners and operators in that county to contribute to this fund, and they responded by putting up \$10 each. One thousand dollars was raised at this meeting and competent counsel have been employed.

The Kansas Grain Dealers Association has recently given a report of the financial condition of the Wheat Growers Association, showing a deficit of \$58,239.47, with cash on hand of \$28.76. They claim to have marketed 2,200,000 bushels of grain in 1923.

THE AMERICAN ELEVATOR AND GRAIN TRADE

SOUTH AFRICA INAUGURATES ELEVATOR SYSTEM

The grain elevator system has been opened this summer in South Africa, and in a report to the Department of Commerce, D. C. Poole, American Consul-General, says that 34 country elevators have already been opened or will be ready for operation in the immediate future. The large terminal elevator constructed at Cape Town by the South African Railways and Harbors Administration is in use and up to the date of latest reports the other large



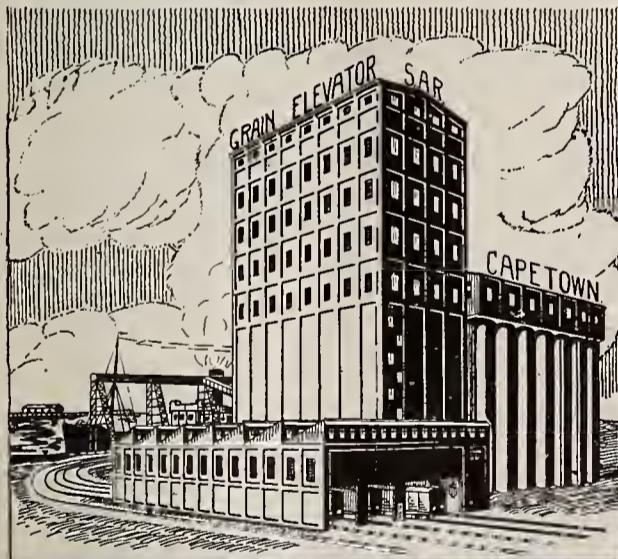
WHERE THE NEW AFRICAN ELEVATORS ARE LOCATED

terminal elevator at Durban had not been completed owing to unexpected structural difficulties.

The opening of the Cape Town and country elevators, however, marks the inauguration on a comprehensive scale of a new and up to date method of handling South African grain. The 1924 corn crop is coming on the market now and the new elevator system is expected to greatly facilitate and expedite its handling.

The storage capacity of the Cape Town elevator is 30,000 tons, and it will be capable of loading bulk corn to ships at the rate of 1,000 tons per hour. It has been pointed out by the local authorities that this is more than could previously be loaded in bags in a full working day.

Of the 34 country elevators, 33 are situated in corn growing areas. The aggregate storage capacity of these 33 is 106,600 tons. On the assumption that



TERMINAL ELEVATOR AT CAPE TOWN

they can handle five times their storage capacity in a year, it is estimated that 533,000 tons can be passed through them annually. The remaining elevator is located in Moorreesburg, a wheat center, and it has a storage capacity of 2,600 tons.

It will be noted from the cut herewith that the terminal elevator bears a fairly close resemblance to those with which we are familiar in this country. On the other hand, the country elevators show several marked differences. For instance, the detached position of the shippin bins, away from the storage, and the smallness of these shipping bins. This is attributable to the fact that the freight cars in use in Africa are much smaller and have a capacity far less than those to which we are accustomed in this country.

A full statement of the tariffs to be charged,

regulations governing the use of the elevators, and forms of receipt, is contained in Bulletin No. 75, published June 30 by the general manager of the South African Railways and Harbors, Johannesburg. The charges for receiving, grading, cleaning, weighing, handling in and out, bagging out when necessary and all clerical services, but not including storage at both the country elevators and port elevators will be 3d. per 200 pounds. The schedule also provides for free storage the first 10 days, and after the 10 days have elapsed the rate is, from July to December inclusive, 2d. per 200 pounds per 30 days or part thereof, and from January to June inclusive, 1d. per 200 pounds per 30 days or part thereof.

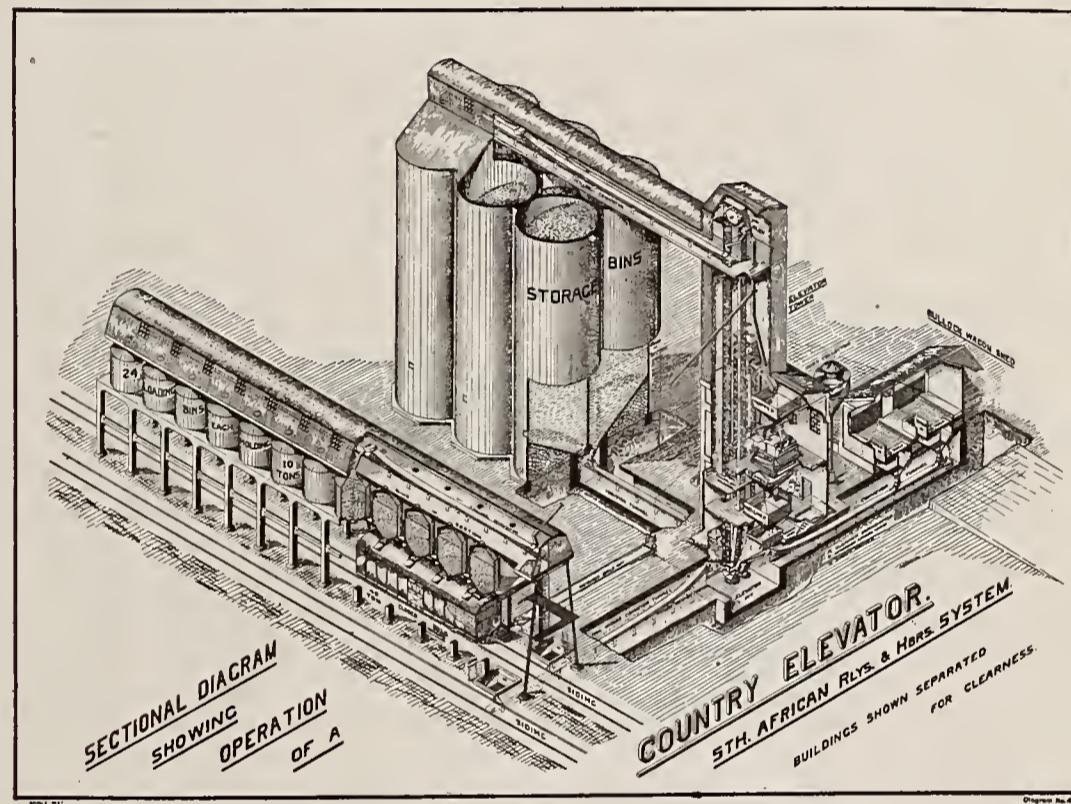
The regulations provide that grain tendered for deposit in a grain elevator shall first be inspected by the elevator operator and, unless rejected, shall be deposited by the owner into the receiving hopper, wagon loads to be handled in the order of their arrival. The administration has the right to reject lots weighing less than 3,000 pounds, or grain which is damp, weevily or otherwise unsuitable.

In case of dispute in regard to grading sealed samples are to be taken and submitted to the Chief Inspector of Grain. The decision of the

WHEAT IN ROUMANIA

The possible position of Roumania as a wheat exporting country in the future has engaged the attention of experts. The old Kingdom with a total area of 53,900 square miles and a population of 7,900,000, cultivated on an average, 4,770,000 acres of wheat. It occasionally reached 5,000,000 acres. The exports of wheat varied greatly. In 1910, for instance, they reached nearly 68,000,000 bushels. The average export over a period of 10 years was 46,000,000 bushels. Indeed, Roumania was one of the chief sources of wheat supply for Western Europe.

The enlarged Kingdom, as the result of the war, has an area of 73,560 square miles and a population of over 16,000,000. If this enlarged area should produce wheat in the same proportion as the old Kingdom, 9,880,000 acres would have to be cultivated. But the largest area cultivated since the formation of Greater Roumania, has been 6,550,000 acres in 1922. Therefore, considering population to be fed, the production has fallen off since the war. In the old Kingdom since the war, not much more than 3,000,000 acres have been



SECTIONAL DIAGRAM SHOWING COUNTRY ELEVATOR OPERATION

latter is to be final; and, unless he decides that the grade is higher than that fixed by the elevator operator, the fee deposited when such appeal is made is to be retained by the Administration.

It is also provided that screenings separated from any grain during the rough cleaning process at a grain elevator may be removed by the person delivering such grain if he bags it at the spout at the time, otherwise it reverts to the Administration.

A deduction of 1 per cent is allowed from the gross weight on a temporary receipt to cover loss in handling and storage. "Temporary receipt" is defined as the non-transferable receipt issued in prescribed form by an elevator operator in exchange for any load of grain deposited, and is required to show gross and net weights and grade.

It is also interesting to note that definite steps were taken in preparing the regulations looking toward safety from fires and other hazards, and the rules are very stringent in regard to smoking, explosives, etc.

The permit system will not be applied to corn for export oversea ex grain elevators; but exporters are expected to give the administration the longest possible notice of shipping orders so that the working of corn to the Port Elevator may be regulated in the interests of trade. As a general rule, in the execution of shipping delivery orders, preference will be given to those who have first handed in definite shipping orders to the Administration.

Grain exceeding 12 1/2 per cent moisture content is not to be accepted.

seeded to wheat. This is largely due to the partition of estates.

The consumption of wheat has increased throughout Roumania because the peasants are eating wheat more largely than formerly. In the annexed territory, which doubled the population of old Roumania, the town population of wheat eaters is larger than in the old Kingdom. Roumanian publicists figure that Greater Roumania might have available for export approximately 56,000,000 bushels of wheat.

CAUSE OF YELLOWBERRY

Thus far there is no proof that yellowberry in wheat is due to inherited tendency and not to natural causes, according to Prof. H. F. Roberts of the Kansas Experiment Station. A higher percentage of yellowberry occurs in late-ripening grain. While the average weight of yellowberry kernels is greater than that of the flinty kernels, the specific gravity is less. This would seem to show that yellowberry is simply an abnormality in growth, not a disease.

The opaque starchy spots in wheat kernels which give name to "yellowberry," almost invariably begin to appear in the neighborhood of the germ at the lower end of the kernel as it stands on the plant and it spreads, from there upward. The largest starch grains in the yellowberry portions of the kernel have been found to be smaller, on the average, than the largest starch grains of the flinty portions of the same kernel.

THE AMERICAN ELEVATOR AND GRAIN TRADE



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ADVERTISING.

This paper has a large circulation among the elevator men and grain dealers of the country, and is the best medium in the United States for reaching persons connected with this trade. Advertising rates made known upon application.

CORRESPONDENCE.

We solicit correspondence upon all topics of interest connected with the handling of grain or cognate subjects.

Official Paper of the Grain Dealers National Association and of the Illinois Grain Dealers Association

Chicago, Ill., October 15, 1924

HISTORY AND THE FUTURE

HISTORY occupied a large part of the deliberations of the Grain Dealers National Association. History is interesting only as it bears upon the present or permits us to guide our future conduct more profitably. There seemed to be somewhat of a lack of this forward looking policy; plans for the future protection of the industry and the growth and betterment of the Association were not discussed.

Certainly no one in the Association believes that the troubles of the grain trade are over. There is a mighty force of public opinion directed against the trade and its practices. There is a growing radical political group which feeds upon discontent, and this group does its best to make farmers believe they are abused. What was done in the way of a concrete program to overcome these inimical influences? Read the proceedings carefully and see if you can find anything of the kind. We couldn't. The conclusion is inevitable. Grain dealers are not conscious of their unity of interests. They are more interested in their profits of the day than in their security through the years to come.

The Association can be congratulated on its choice of a new president, however, and we believe that it will not be without a constructive program for long. We have faith in Fred Horner. He is taking time to get away from the daily grind so that he can get a perspective view of the grain situation of the entire country. Only by such a perspective is one able to get an accurate picture; to

see trouble spots and their relation to the industry as a whole; and to devise means for the eradication of the trouble.

So long as the grain trade continues along the old line of "every man for himself" it is at a distinct disadvantage in presenting its position against well organized forces. Mr. Horner has a big job on his hands to even make a start toward homogeneity in the grain trade, but we believe that he will make progress.

THE EFFECT OF UNDERSTANDING

ASSOCIATED Traffic Clubs of America have formally endorsed the regional advisory boards of the American Railway Association. Traffic clubs are made up, primarily, of shippers' representatives, so this endorsement means that the experiment of attempting real co-operation between shippers and carriers, has been a success.

The plan was first tried in the Northwest and was utilized for the most part in anticipating the probable grain movement and providing facilities for it. Most of the shippers on the Board were grain men or stock men. They estimated the crop and the initial movement and then the Board decided how many cars would be required to handle it. So far as possible the necessary cars were on hand when the movement started. In the same way estimates were made of the number of livestock to be shipped at specified times and much of the uncertainty and loss experienced in former years on account of car scarcity was avoided.

The operations of the Board in Kansas this year have demonstrated the value of the service. The early wheat movement was tremendous, and yet but few complaints were registered on the lack of cars. This is due entirely to the preliminary work of the Board and the spirit of co-operation which has come out of the better understanding by shippers of the difficulties under which the railroads labor.

THE GLUTEN TEST

WE MAY expect increasing agitation for the inclusion of gluten percentage in the Federal wheat grades. The American Wheat Growers Associated had a booth in the state fair of Minnesota this fall, primarily for the purpose of demonstrating the gluten test. It was also pointed out by W. J. Brown, president of the Wheat Growers, that "every farmer knows that wheat is sold to the local elevator on Federal grade, but that it is resold in the terminal market on actual milling value. . . Every car of wheat is tested for gluten or protein content before it is sold on the terminal market."

There are lots of things that "every farmer knows," that are not true. Farmers are fed reams of misrepresentation by men who ought to know better, but even a farmer should realize that it would be practically impossible to test every car of wheat in the terminal markets for gluten content. Not infrequently a thousand cars of wheat are received at a number of markets in a single

day. Can you imagine the size of the laboratory required to run gluten tests on all of them? Perhaps the time may come when we will put a grain of wheat into a hopper, turn a crank until the bell rings, and then take out a slip of paper with the percentage of gluten printed on it; but up to the present time such a machine has not been invented. On the contrary it takes time and great care to determine nitrogen free extract, and if the test is not accurate it is worse than useless.

To be sure a great many cars of wheat are sold on the gluten content basis, and any shipper who thinks he has a superior car of wheat, can order a test made through his commission man and take the chance of the car bringing a premium. Perhaps it will pay, and perhaps not. But to try to test every car this way would be so expensive and delay action so interminably that the practice would soon be protested by every shipper. And yet there is a strong demand for this practice both in the Northwest and the Southwest. The quickest way to end it would be to try it out for one month during the rush movement.

MAKING CALAMITY PAY

VISITATION by locusts has been looked upon as a calamity ever since farming began. The Lord chose it as one way of punishing the unruly Egyptians and even in that day the plague of insects was recognized and dreaded. But now, it seems, a locust plague may come to be regarded as a blessing and a fruitful source of profit. The Government informs us that 88 bales of locusts were recently shipped from South Africa to Holland to be used for cattle and chicken feed. But first this new fodder is pressed and an oil extracted which is valuable for aeroplane engines.

Instead of scattering poison bait for locusts our western farmers may soon be spreading honey and ambrosia to attract the little pests. The valuable oil is not confined to the 17-year-variety, otherwise an oil extracting plant would have a considerable overhead during its operating period. But there is rarely a year when locusts are not abundant somewhere. Whether they can be induced to enter balers in profitable quantities is another matter. When a profitable market is found for any commodity, however, means for garnering it are usually discovered, so inventors may soon be turning their attention to locust traps, grasshopper cages and bug chasers to the end that locust plagues will be replaced by locust farms.

U. S. FARES WELL IN GRAINS

NO GREAT surprises were contained in the Government crop report issued on October 9, as private estimates, particularly that of B. W. Snow, anticipated the figures very nearly. The report gives 589,000,000 bushels of Winter wheat, as against 572,000,000 last year; 266,000,000 Spring wheat, compared with 213,000,000 in 1923, or a total of 856,000,000 bushels of wheat. Of the Spring wheat states North Dakota leads

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with 115,258,000 bushels with Montana, 42,428,000, second. The yield in the Pacific Northwest is less than half of last year.

The oat crop is one of the largest in recent years, being 1,509,409,000 bushels, as against 1,299,823,000 last year. Barley is 201,000,000 bushels, as against 198,000,000 last year; rye, 65,800,000 as against 63,000,000 bushels last year; while tame hay is 6,000,000 tons greater than last year, or 95,100,000 tons.

In corn alone is there a great discrepancy this year as compared with 1923. Only 2,459,000,000 bushels is now indicated, as against 3,046,000,000 last year, and 2,513,000,000 last month. In Iowa the loss, compared with last year, is nearly 100,000,000. Practically the only states that came out well on corn were Kansas and Oklahoma, the crop in both states being larger than last year.

A BRIGHTER OUTLOOK

WITH returns from the Northern Hemisphere practically complete, the world's wheat outturn this year will be 10 per cent less than last year, the estimate by the Department of Agriculture being 2,754,329,000 bushels and 3,044,565,000, respectively. The response to this condition and the resultant high levels for all grains, indicate the improved financial condition of importing countries. Three years ago a short wheat crop would have meant merely a greater use of cheaper food than bread in Europe. The grains which ordinarily rank as feedingstuffs would have been used as food by the people. But when they can pay for it, wheat and rye are demanded by every civilized people, and that they are willing to take our wheat and rye, even at close to the \$2 mark in Europe, speaks eloquently of the returning prosperity and the end of the desperate straits that were prevalent when the war ended.

Of course these signs of returning prosperity are not restricted to the grain business; manufacturers of many commodities, particularly of machinery, are feeling the effects, and the foreign bond market is materially stronger with indications that the present favorable opportunities for investment abroad will pass and that such financing as is necessary will revert to England or be taken care of in the countries themselves. In fact the outlook for conditions in general is good, and fortunately grain producers and grain merchants are getting an early and generous share.

McNARY-HAUGEN BILL AGAIN

IF THE McNary-Haugen bill couldn't pass last year when grain growers were really in need and many were willing to try the most desperate measures—anything that remotely promised relief—there is little chance of its success now that grain prices are so far above the profit level. And yet the American Council of Agriculture at a meeting in Chicago on October 6 indorsed the principles of the McNary-Haugen bill as set forth in an address by Bernard Baruch.

The personnel of the various farm organi-

zations changes so fast that it is hard to say just what the American Council of Agriculture will be by the time this issue is mailed. If a minority group in an organization cannot get the endorsement of some pet scheme, it withdraws and forms a new council or association or federation. The smaller the minority the bigger the sound of the name it adopts for the new circle. Its platform usually embraces a scheme to break down the law of supply and demand, and its promoters are the only ones who profit by so much as one penny from the effort. The promoters "git aplenty while the gettin's' good."

More significant than this McNary-Haugen gesture, prompted by the ubiquitous Mr. Baruch, was the resolution adopted to withdraw the request of the Council to President Coolidge for the appointment of an agricultural commission by the Secretary of Agriculture. Such a commission at this time could not help but find that the farming community has been saved by a grain corner produced by nature, and that these self-appointed saviors had nothing more to do with the saving than the late King Tut. The last thing the Council of Agriculture desires is a true report on agricultural conditions.

EDITORIAL MENTION

The reduction in European crop estimates continues and it can be certain that the carry-over of wheat and rye next July will be smaller than the last two years, when there was 100,000,000 bushels of wheat unused at the end of each year.

Not for a long time have the reports on corn from different sections been at as great variance as this season. Good crops, poor crops, no crops at all, are reported and it seems certain that hogs will gather a large part of the crop in the fields.

Ten years ago people were arguing whether good roads were worth the cost. Today argument has ceased; good roads are accepted as a necessary part of our marketing system, and the only discussion is on the ways and means of financing.

If anyone doubts the returned prosperity to the farmer he need only watch the sale of automobiles in the wheat belt and in the Kansas corn country. Almost all makes of cars seem to be sharing in this business and it is not confined to the cheaper lines by any means.

State and Federal agencies everywhere are conducting a campaign on seed corn. There will be a great shortage in many sections of the country and unless farmers get into the fields and select the matured corn on the stalks, planting next year will be attended by great disappointment.

The International Grain and Hay Show, held in conjunction with the International Live Stock Exposition, will begin on November 29 this year and extend to December 6.

As usual the Chicago Board of Trade will give \$10,000 in prizes for the best exhibits of grain and hay, and the choicest samples grown in the world will be on display. Canada usually figures liberally among the prize winners, but our Northwest growers will make them look to their laurels when the awards are made this year.

Farmers are not as slow in taking up improvements to better their condition as their reputation would indicate. We believe that the demand will soon be general that grain, particularly wheat, shall be cleaned at the thresher, and the threshing outfit which does not include an efficient separator will not be in demand.

If you have not made arrangements to handle a line of prepared feeds, it is time to get busy. The feed business can be made a permanent year in and year out part of your operations, but feed merchandising is not based on price. You may be able to sell once on price alone, but repeat orders come from results, and a more expensive feed per sack, may well be the cheapest per pound of milk or per egg produced. Tie up with a reputable feed manufacturer who will supply you with circular matter and help by suggestion in moving your feeds. Then take off your coat and hustle for business.

STATEMENT OF THE OWNERSHIP, MANAGEMENT, CIRCULATION, ETC., REQUIRED BY THE ACT OF CONGRESS OF AUGUST 24, 1912,

of American Elevator & Grain Trade, published monthly at Chicago, Ill., for October 1, 1924. State of Illinois, ss County of Cook, ss

Before me, a notary public in and for the state and county aforesaid, personally appeared A. J. Mitchell, who, having been duly sworn according to law, deposes and says that he is the Business Manager of the American Elevator & Grain Trade and that the following is, to the best of his knowledge and belief, a true statement of the ownership, management (and if a daily paper, the circulation), etc., of the aforesaid publication for the date shown in the above caption, required by the Act of August 24, 1912, embodied in section 443, Postal Laws and Regulations, printed on the reverse side of this form, to wit:

1. That the names and addresses of the publisher, editor, managing editor, and business managers are: Publisher, Mitchell Brothers Publishing Co., 431 S. Dearborn St., Chicago, Ill.

Editor, John E. Bacon, 4546 Clarendon Ave., Chicago.

Managing Editor, Richard Pride, 2878 N. Clark St., Chicago, Ill.

Business Manager, A. J. Mitchell, 4820 Kimbark Ave., Chicago, Ill.

2. That the owners are: (If the publication is owned by an individual his name and address, or if owned by more than one individual the name and address of each, should be given below; if the publication is owned by a corporation the name of the corporation and the names and addresses of the stockholders owning or holding one per cent or more of the total amount of stock should be given.)

A. J. Mitchell, 4820 Kimbark Ave., Chicago, Ill.; A. H. Mitchell, 4462 Woodlawn Ave., Chicago, Ill.; John E. Bacon, 4546 Clarendon Ave., Chicago, Ill.; M. B. Mitchell, Ottawa, Ill.; Estate of M. W. Mitchell, 506 M St., N. W., Washington, D. C.

3. That the known bondholders, mortgages, and other security holders owning or holding 1 per cent or more of total amount of bonds, mortgages, or other securities are: (If there are none, so state.)

None.

4. That the two paragraphs next above, giving the names of the owners, stockholders, and security holders, if any, contain not only the list of stockholders and security holders as they appear upon the books of the company but also, in cases where the stockholders or security holder appears upon the books of the company as trustee or in any other fiduciary relation, the name of the person or corporation for whom such trustee is acting, is given; also that the said two paragraphs contain statements embracing affiant's full knowledge and belief as to the circumstances and conditions under which stockholders and security holders who do not appear upon the books of the company as trustees, hold stock and securities in a capacity other than that of a bona fide owner; and this affiant has no reason to believe that any other person, association, or corporation has any interest direct or indirect in the said stock, bonds, or other securities than as so stated by him.

5. That the average number of copies of each issue of this publication sold or distributed, through the mails or otherwise, to paid subscribers during the six months preceding the date shown above is: (This information is required from daily publications only.)

A. J. MITCHELL,
Business Manager.

Sworn to and subscribed before me this 25th day of September, 1924.

[SEAL] W. F. WARRICK
(My notarial commission expires May 8, 1928.)

E. P. MCKENNA
Chicago

NEWS OF THE TERMINAL MARKETS

FRED MAYER
Toledo

CORN SOON ON A SUPPLY AND DEMAND BASIS

Corn has had about all the frost it's entitled to and it'll soon be on a supply and demand basis. Old corn is coming out pretty freely, and if it keeps on could make a weak market unless demand improves or the general public gets in the market again. Price discounts a large part of the shortage, and oats will take the place of corn in many instances, but at that, so much corn is consumed and much of the crop will be of an inferior quality that much higher prices could easily prevail later on.—*J. F. Zahn & Co., Toledo, Ohio. From Zahn's Red Letter of October 11.*

ARRIVALS ARE LIGHT

Arrivals of corn, oats and wheat in the Indianapolis market continue very light with small prospects of any immediate material increase. Straight colors of corn are in active daily inquiry, with White corn selling at a premium of about 1 cent at this time over Yellow. Oats too are in excellent demand and at attractive prices. Our market continues to hold its advantageous position with respect to values of soft milling wheat and just at this time milling wheat of the mixed and hard qualities are also wanted at very moderate discounts.—*Bert A. Boyd Grain Company, Indianapolis, Ind. Market Letter of October 13.*

COTTON TRADING TO START ABOUT NOVEMBER 1

The Chicago Board of Trade is completing arrangements for its new cotton market. A trading "pit" is being erected in the southwest corner of the exchange hall, blackboards and ticker service have been arranged for and rules for trading have been posted and will be voted on October 16. They are the same as in force on the New York and New Orleans exchanges. The unit of trading is 100 bales with a brokerage charge of \$25 per 100 bales. Commission rates for non-members are \$12.50 for 100 bales or \$25 for the round trade.

For financing spot cotton and preparing for delivery on contracts, 75 cents a bale will be charged, and when no financing is done it is 50 cents. A charge of 75 cents is made for taking cotton on contracts and for shipping. For redelivery, 50 cents per bale.

Many cotton men have joined the Board recently and are taking great interest in the new market. Trading is expected to start around November 1.

WINNIPEG GRAIN EXCHANGE ELECTS OFFICERS

At the annual meeting of the Winnipeg Grain Exchange, Winnipeg, Man., Clarence C. Fields of the Norris Grain Company was chosen president to succeed James A. Richardson, and D. C. McLachlan, manager of the Western Terminal Elevator Company, Ltd., was elected vice-president.

The Grain Exchange Council for the year 1924-25 will consist of the following members: C. C. Fields, D. C. McLachlan, W. R. Bawlf, N. J. Breen, R. T. Evans, J. C. Gage, A. K. Godfrey, N. L. Leach, C. H. Leamau, W. A. Murphy, J. A. Richardson, A. Thompson, C. Tilt, and A. P. White.

The Committee on Arbitration consists of F. J. Anderson, F. O. Fowler, J. A. Richardson, R. T. Evans, J. R. Murphy, James Stewart, C. Tilt.

Committee of Appeals, R. R. Dobell, A. K. Godfrey, J. C. Gage, John Fleming, David Horn, W. E. Reid, S. T. Smith.

Mr. Fields, the new head of the Exchange, re-

moved from Kansas City to Winnipeg in 1910, where he has been in charge of the Southwestern branch of the Norris Grain Company. He has been a resident of Winnipeg since that time and is now a naturalized citizen of Canada.

A VETERAN GRAIN MAN AT HOME

For a considerable period during our Civil War, Ichabod Baldwin, late of Newark, N. J., was engaged in selling a line of Newark carriages and buggies at Decatur, Ill. He had come to Decatur from Newark about the year 1860 and together with his family and line of vehicles brought a young son who at the time of the removal to Illinois was four months of age. This scion of the Baldwin race was christened H. I., which are after all, rather handy initials to attach to a name and business, and which have become, when stamped on an Illinois ear of corn, a very valuable trade mark.

Young H. I. Baldwin thrived mightily, nourished by the fresh and invigorating air of Illinois rolling prairies and in due course of time attended the



H. I. BALDWIN

public school and high school of Decatur, after which he embarked in the grain business.

It was in 1867, that young Baldwin prepared his first box car to receive grain at Oreana, Ill. He had engaged with Pratt & Co., one of the leaders in the grain trade of Illinois at that period. F. M. Pratt was one of the founders of the Illinois Grain Dealers Association and served for years as its treasurer. Mr. Baldwin absorbed the details of the grain business very rapidly and in time was made secretary and treasurer of the company, which office he filled until he established his own business of H. I. Baldwin & Co., on May 3, 1892. It was originally started as a grain brokerage business but it has gradually changed into a shipping business under the name of Baldwin Elevator Company, with very wide activities in furnishing grain from country elevators to millers and exporters.

Mr. Baldwin has witnessed very many changes in the manner of handling grain but is a firm believer in grain exchanges and the present methods of grain handling and marketing which are the outgrowth of years of experience. He deplores greatly, all attempts to remove individual effort and initiative from business activity and substitute

therefor a paternalism that throttles all honest and ambitious endeavors in trade.

Mr. Baldwin has always been a strong supporter of the Illinois Grain Dealers Association and the Grain Dealers National Association and has filled various offices with both organizations. His attendance at the Cincinnati meeting of the Grain Dealers National Association was the twenty-second consecutive convention that he has attended of that organization. In respect to the character of the men who make up the grain trade Mr. Baldwin asserts that he finds none better. He claims an honest pride in being associated with an industry where commercial standards are kept on so high a plane of observance.

As one of Mr. Baldwin's maxims is that the young men should be given a chance, he has admitted into the business the young men with whom he has been associated. The Baldwin Elevator Company therefore embraces H. J. Kapp, E. F. Kull, and Harold Glessner, energetic and experienced men who have been factors in promoting the growth of the company to the important position in the grain industry which it now occupies.

In closing this brief sketch it may be well to state the illustration is from a picture taken of Mr. Baldwin in his office. An intimate study, perhaps, it may also be called, and represents Mr. Baldwin as his friends know him, a genial, altruistic, wellwishing grain man. To have worthy friends and hold them has always been one of Mr. Baldwin's chief objects in life. As his years grow mellow it can be safely asserted that this objective has been highly consummated. For on all points of the great grain horizon wherever the eye may be directed there are countless grain men who hold in high opinion and esteem this long time grain merchant of Decatur.

THE FOREIGN SITUATION

Present wheat market is radically different from previous bull markets. It has advanced rapidly on buying by export interests. The public participation in the market has been small. Export interests have been very active. Long interest in the market at present time is supposed to be for foreign account. However, we have seen the time when foreigners have over-bought and the news the latter part of this week would seem to indicate that they had become a little bit excited and had taken on more bread grains than the situation warranted. In looking over Broomhall's estimate of the world's wheat situation, which we published in our market report of September 6th, we find in foreign crops a small reduction in the crop of Spain of 11,000,000 bushels, in Poland of about 14,000,000 bushels. Advice to the Government indicates a slight increase in the French crop. Broomhall estimated the European wheat crop at 1,296,000,000 bushels. Allowing for the changes reported, European crop would stand at present time at 1,276,000,000. The largest change in the amount of wheat in exporting countries is in the report of the United States Department of Agriculture, which in the October report makes the crop 856,000,000 or 20,000,000 more than last month. The Australian crop due to favorable weather is holding its own. No fresh estimates have been made on the Argentine crop, but good rains have helped the situation. United States on the basis of the October report can at least spare 270,000,000 of wheat for export. Canada will probably have close to 200,000,000 available, India about 40,000,000 and with continued favorable weather in the Southern Hemisphere, Argentine and Australia

can be counted on for around 280,000,000 making a total from exporting countries of 790,000,000 bushels. Until the situation is more clearly defined and until we know the final results in Argentine and Australia, we would wait for breaks before buying wheat.—*C. A. King & Co., Toledo, Ohio. From Special Market Report of October 13.*

CONDEMNS DAYLIGHT SAVING

Pope & Eckhardt Company, Chicago, Ill., says in their market letter of September 27:

"Daylight saving ends today for this year. In our humble opinion this extension of wartime expedients is not only irksome and inconvenient to the western grain trade, but it is also a very serious handicap to a friendly interchange of business between this market and agricultural interests in the great central west, that send the enormous volume of farm products, for sale and distribution each year to consuming sections in this country and to the markets abroad through this gateway. There is no good reason why this market should not be governed by Standard time. You can help to establish that principle for the future through your grain dealers association."

ADVICES GIVE IMPROVEMENT IN CORN CROP

Well, here we are well into October, most of us enjoying this mild fall weather. Most of the wheat acreage shows a nice carpet of green, the stand is excellent. Most kinds of grasses still making a good growth which makes fall pasturage and forage plentiful.

We are approaching the Sunflower harvest. Central Illinois has around 3,000 acres of same. Present promise is that our crop will be of good quality with a demand for all of it.

We have seen some droves of hogs, cattle, and sheep turned into the corn fields as the cheapest and best way of harvesting same. Possibly one reason why the movement of old corn to market is not heavier at the present time is that the grower can sell new corn for year delivery so near the price of the old that he thinks the extra moisture in the new will bring him in more money by selling that. Some markets claim that they will receive new corn from Oklahoma yet this month.

Now the writer has no intention of setting up his opinion against the excellent Government and private reports which have recently been issued on the corn crop as a whole, but we would be deaf to the reports he receives from corn growers in the territory roughly described as lying in the area surrounded by a line drawn from city to city named below:—Tuscola, Paris, Pana, Springfield, Quincy, Peoria, Ottawa and back to the starting point:—if he did not mention the distinct improvement of the corn crop in this area and also reports from many special sections therein where the promise is better than previously expected.

Old King Korn has made a brave fight but cannot expect to duplicate Walter Johnson's comeback this year.—*H. I. Baldwin & Co., Decatur, Ill. Market Letter of October 13.*

MARKET NEWS WRITERS SHOULD WATCH THEIR STEP

Dr. J. W. T. Duvel, grain exchange supervisor, Chicago, Ill., recently sent out the following:

During the past few weeks wide circulation has been given to statements relating to crop and market conditions and movements. For the most part such items have indicated a fair and honest attempt to set forth the true conditions of the various factors that affect the market as based on the most reliable information obtainable at the time. Occasionally, however, items questionable as to accuracy and motive have appeared in the trade gossip, market reviews, and otherwise. It is not always easy to determine whether these questionable statements are due to lack of knowledge, or based on mere rumors, or are intended to be misleading. The results, however, usually lead to an unnatural and unwarranted movement of prices.

In the interest of a more representative market and with the view of greater justice and fairness

to traders of all classes, it is important that more careful consideration be given to the preparation of statements relating to crop or market conditions that affect or tend to affect grain prices. In this connection we quote from Section 9 of the Grain Futures Act which section reads in part as follows:

"Any person * * * who shall knowingly or carelessly deliver for transmission through the mails or in interstate commerce by telegraph, telephone, wireless, or other means of communication false or misleading or knowingly inaccurate reports concerning crop or market information or conditions that affect or tend to affect the price of grain in interstate commerce, shall be deemed guilty of a misdemeanor, and, upon conviction thereof, be fined not more than \$10,000 or imprisoned for not more than one year, or both, together with the costs of prosecution."

BOSTON CHAMBER OPENS NEW BUILDING

BY L. C. BREED

A significant step in the growth of New England's commercial and industrial supremacy was exemplified in the opening of the new \$6,000,000 home of the Boston Chamber of Commerce at 80 Federal Street on October 6. Boston now has the



NEW BOSTON CHAMBER OF COMMERCE

distinction of not alone having the largest Chamber of Commerce in the United States with more than 8,000 members who are identified with all of its business activities, but also has the largest and best-equipped organization building in the country. Admirably situated in the heart of Boston's business section, the handsome new building contains many new features, including the largest dining-room facilities in Boston.

Nine railroads have established their Boston freight and passenger offices in the new building, with the probability that practically all the remaining railroad offices will be represented in it a little later on.

A week of commemorative events that will live long in the minds of New England business men took place during the week of opening. The first formal event was an inspection of the building and a luncheon tendered to representatives of the New England press on October 6. Those members of the Chamber who are classed as the founders of the organization were tendered a dinner on that evening. On Tuesday evening the President's reception, tendered to the members and their ladies was held. Governor Channing Cox of Massachusetts, Mayor James M. Curley of Boston, and all of the former presidents beginning with Mr. James J. Storrow made up the receiving line. The fifteenth annual dinner of the Chamber was

held on Wednesday evening. Thursday night was devoted to the new members of the organization.

On Friday noon a luncheon was given to the presidents and the secretaries of the commercial organizations in New England and other business organizations having headquarters in Boston. Prominent speakers from all parts of the country participated as speakers.

On Saturday afternoon, the general public was invited to inspect the building, and on Sunday from four to five in the afternoon, "New England Hour," all of the strangers stopping at the hotels in the city were also invited.

BETTER DEMAND FOR CORN LOOKED FOR

Receipts of grain by rail here have fallen off sharply the past week and premiums on wheat and oats have increased so that they are now selling at the greatest relative difference over the futures since the new crop commenced to move. A steady demand exists for fresh receipts of wheat and oats as the usual amount of these grains was not put into store at the time the movement was at its height as is generally the custom. The demand for corn remains rather quiet as the eastern consumer claims they cannot afford to pay the price for corn, not being able to realize the advance on their product. Colder weather, however, is expected to bring about a change in this situation and result in a better demand for corn.—*J. G. McKillen, Inc., Buffalo, N. Y. Market Letter of October 13.*

A SUMMARY OF VOLUME OF FUTURE TRADING FOR SEPTEMBER

With the view of affording a better understanding of the conditions surrounding the grain markets during the past few weeks the Grain Futures Administration at Chicago is making public for the first time some figures showing customers "open contracts" as reported by the clearing members of the Chicago Board of Trade. It will be understood that these figures do not represent the total "open interest" in the market, as some of the customers of clearing members are commission houses that also have customers who have contracts open, either long or short. The figures given represent only the "short" side of the open contracts, there being, of course, an equal volume open on the "long" side.

A summary of open contracts during September gives daily average wheat, 107,051,000 bushels; corn, 53,906,000 bushels; oats, 53,697,000 bushels; rye, 22,665,000 bushels; all grains, 237,320,000 bushels.

In addition to the daily transactions on the Chicago Board of Trade the deliveries on September contracts for the month were as follows: Wheat, 12,017,000 bushels; corn, 2,327,000 bushels; oats, 4,246,000 bushels; rye, 4,062,000 bushels; all grains, 22,652,000 bushels.

The figures on deliveries include the re-deliveries within the month under the same warehouse receipt number. Figures showing the actual quantity of grain involved were not available.

In addition to the deliveries and the daily trades the open contracts satisfied by indorsement of delivery notes were as follows: Wheat, 34,254,000 bushels; corn, 13,077,000 bushels; oats, 12,871,000 bushels; rye, 8,213 bushels; all grain, 68,415,000 bushels.

FINAL RETURNS TO SHOW LIGHT CORN CROP

Our receipts of corn the past few days have been falling off, but we believe there will be a better movement from the country within a few days as there has been more disposition on the part of holders to sell, no doubt caused by the favorable weather through most of the corn belt. Reports indicate that some sections have raised a good crop of corn, while in other sections the crop is spotted. However, it is generally conceded that the final returns will show a much lighter crop than last year. Prices here have been holding up well in line with those in other markets. The de-

THE AMERICAN ELEVATOR AND GRAIN TRADE

Forty-Third Year

mand from industrial sources continues active, but business for shipment shows no improvement.

Receipts of oats have been light and country does not seem disposed to sell freely. There have been some oats worked for export from this market, and quite a few have been bought for storage purposes. On account of the low price as compared to other grain, we believe there will be considerable feeding of oats on the farm.—*Mueller Grain Company, Peoria, Ill. Market Letter of October 13.*

ELECTION AT MINNEAPOLIS, MINN.

The annual election of officers on the Minneapolis Chamber of Commerce, Minneapolis, Minn., was held October 2, resulting as follows:

A. L. Searle, president; Henry J. Moreton, first vice-president; Shreve M. Archer, second vice-president.

Directors for two years: W. J. Russell, George P. Case, C. T. Stevenson, H. G. Dickey, P. B. Getchell. Director for one year, E. E. Mitchell.

Board of Arbitration: C. E. Lockley, J. H. Stadon.

Board of Appeals: J. H. Riheldaffer, E. L. Doherty.

CHANGES IN MEMBERSHIP

Chicago.—The following memberships on the Board of Trade have been transferred: Lincoln Richards, Edw. V. Wright, Est. Edw. G. Heeman, Tom J. Garrison, Est. Fred M. Foster, Arthur J. Moore, and John A. McCreery. John A. Arnold, Ernest B. Norman, William Stevenson, George J. McKerr, William L. Harriss, Herbert P. Farrell, Robert A. Lees, R. Siedenburg, Jr., Milton E. Veninga, William R. Meadows, Martin Lindsay and Gray Silver have been admitted to membership. J. J. Henderson has been reinstated. George Bingham is now registered for the Saskatchewan Cooperative Elevator Company, Ltd. Reported by Secretary James J. Fones.

Cincinnati.—Julius Jacobs & Son have changed to the Jacobs Bros. Reported by Executive-Secretary D. J. Schuh.

Duluth.—L. J. Teske has been admitted to membership on the Board of Trade. H. F. McCarthy has withdrawn his membership. Reported by Secretary Charles F. MacDonald.

Milwaukee.—Henry W. Pletch has been admitted to membership on the Chamber of Commerce, and the membership of George D. Knab has been transferred. Reported by Secretary H. A. Plumb.

Wichita.—A. H. Carpenter and G. A. Johnson are new members of the Board of Trade. Reported by Secretary R. B. Waltermire.

TERMINAL NOTES

The Uhlmann Grain Company of Chicago, Ill., recently enlarged its offices in the Board of Trade Building.

Bowes, Irwin & Co., grain exporters of Philadelphia, Pa., have applied for membership in the Philadelphia Commercial Exchange.

Chaplin Bros. & Co., Ltd., of Toronto and Montreal, Que., have been appointed to represent the Grain Marketing Company in Canada.

Blackburn, Mills & Graham, grain brokers of Winnipeg, Manitoba, have been authorized to increase their capital stock to \$100,000.

The State Railroad & Warehouse Commission of Minnesota has reduced the charge for both reinspection and appeals from \$2 to \$1.50 per car.

The Interior Malt & Grain Company, made up of Milwaukee capitalists, has purchased the plant of the Pioneer Malting Company, at Minneapolis, Minn.

The Neal Grain Company of Omaha, Neb., has closed out its business and Charles B. Neal, head of the concern, it is reported will engage in business in Kansas City, Mo.

The St. Anthony Elevator Company of Minneapolis, Minn., together with its 4,000,000-bushel elevator, has been taken over by the Central Elevator Company, a new corporation, whose officers are connected with the Peavey Company and with

F. H. Peavey Co. J. B. Gilfillan is president of the new company; H. G. Dickey, vice-president; G. F. Deaver, treasurer, J. A. Hull, assistant secretary.

Otto Stude, head of the grain firm of Otto Stude & Co., of Baltimore, Md., sailed from New York City the latter part of September on a trip to England and the continent.

Jack Allen, for a number of years past connected with the McCaul-Dinsmore Company of Minneapolis, Minn., went with the Russell-Miller Milling Company on October 1.

Edward A. Walter, who formerly represented Chapin & Co., of Chicago, Ill., in northern Wisconsin has become associated with the Consolidated Products Company of Chicago.

W. J. Anderson has renewed his affiliation with Milwaukee's grain and hay trade, and is now traveling in Wisconsin territory for the LaBudde Feed & Grain Company of Milwaukee.

A. J. McPhail of the Saskatchewan Wheat Pool Board has been elected president of the Interprovincial Selling Agency which is to dispose of the wheat pool crops of the three prairie provinces.

The Evans Grain Elevator Corporation has been formed at Buffalo, N. Y., by R. T. Fiske, E. Winch and G. G. Smith. The company succeeds George E. Pierce, Inc., and will operate the Evans Elevator.

Carl D. Menzie, formerly engaged in the grain business at Indianapolis, Ind., as the Carl D. Menzie Grain & Brokerage Company, has become connected with the Indiana Brokerage Company at Indianapolis.

The Arcady Farms Milling Company of Chicago, Ill., has closed its office on The Bourse at Philadelphia, Pa., and that territory in the future will be taken care of by S. A. Pederson, eastern sales manager for the company.

The Peoria Grain & Elevator Company of Peoria, Ill., has incorporated to deal in grain, grain products, coal, etc. Incorporators are G. G. Gyles and C. E. Gyles of Bloomington, Ill., and Thos. L. and M. A. Jones of Secor.

Otto Waitzmann, for 20 years identified with the milling and export wheat trade at Chicago, Ill., has made a connection with the Edward R. Bacon Grain Company, taking charge of their domestic and export wheat business.

G. A. Johnson, formerly with the Armour Grain Company, Kansas City, Mo., who recently went with the Wichita Terminal Elevator Company at Wichita, Kan., has been admitted to membership in the Wichita Board of Trade.

The new grain export elevator of the Baltimore & Ohio Railroad Company at Locust Point, Baltimore, Md., was declared "regular" at a special meeting of the directors of the Baltimore Chamber of Commerce, held on September 20.

The I. C. Sanford Grain Company has just been organized to engage in the grain business at Portland, Ore. The head of the concern is I. C. Sanford, who was formerly with the Northern Grain & Warehouse Company and Strauss & Co.

The Kansas City Board of Trade, Kansas City, Mo., recently rescinded the rule allowing trading in provisions. There had been little, if any, interest taken in those commodities, although the exchange supported a provision inspector.

E. C. Michener has retired from the firm of F. H. Peavey & Co., at Minneapolis, Minn., and the remaining partners are George W. Peavey, Frank T. Heffelfinger, Frederick B. Wells, the son and sons-in-law, respectively, of the senior partner.

Carl Scotchorne, recently in the sales department of the Shellabarger Mill & Elevator Company of Salina, Kan., took a position on October 1 with the Logan Bros. Grain Company of Kansas City, Mo., and will travel for them in southwestern territory.

The grain trade of Milwaukee is very much gratified at the increase of the cash business on that market while future trading has broadened out very considerably. The movement of grain to that

terminal is larger than for any period during the past three years. Since January 1 wheat receipts were 5,521,800 bushels, compared with 2,392,630 bushels in the corresponding period of 1923. Shipments have been 5,306,717 bushels compared with 2,062,359 last year.

James A. Mander, who has been connected with the Armour Grain Company for many years, first at Milwaukee and then at Chicago, was recently elected vice-president of the Mapl-Flake Mills, Inc., Chicago. This is a subsidiary of the Armour interests.

Elevator "B" of Bernhard Stern & Sons, Inc., at Milwaukee, Wis., with its 400,000 bushels capacity, has been designated by the Board of Directors of the Milwaukee Chamber of Commerce as a registered storage house under the rules of that organization.

The directors of the Chicago Board of Trade, Chicago, Ill., have appointed William R. Meadows, registrar of the new cotton market established as a part of the Board's activities. Mr. Meadows was formerly assistant chief of the textile division of the Department of Commerce.

The stockholders of the Merchants Exchange of Memphis, Tenn., recently ratified the action of the Board of Directors in ordering distributed to each individual member the pro rata part of the common stock in the Exchange Building Company, which is now valued at about \$1,250.

The first certificate issued by the new Baltimore & Ohio Railroad Company's export elevator at Locust Point, Baltimore, Md., for a carload of grain went to J. A. Manger & Co., grain commission merchants of Baltimore. The car was B. & O. No. 117,001, and contained No. 4 White oats.

The American Hominy Company's plant at Decatur, Ill., has been sold at receivers sale to Edward D. Evans, president of the Evans Milling Company, corn millers, Indianapolis, Ind. The reported price was \$216,000. The plant has a capacity of 1,500 barrels of flour and 8,000 bushels of corn.

The annual statement of the Chicago Board of Trade Mutual Benefit Association presented to members at the recent annual meeting showed that during the year the sum of \$64,904 was paid out on death benefits. The statement showed further that since organization the Association has paid out \$1,411,219 in benefits. There were 795 members on September 1 or 29 more than a year ago. Adolph Kempner was reelected chairman of the Executive Committee and the new directors are Arthur Leask, Edward Hymers, B. Farroll, and James A. Begg.

MAKING CORN SILAGE

Possibility of considerable soft corn this year makes the matter of silage of more than usual importance, and it is likely that some information on the subject can in many cases be given the farmer customer by local grain merchants. Something of interest has been said on the subject lately both by the Department of Agriculture, and A. Kuhlman, associate professor of animal husbandry at one of the state colleges.

The Government report says that corn silage is best prepared when the corn is cut at a stage containing 65 or 70 per cent moisture, i.e., when the lower leaves on the stalk are turning brown, about 90 per cent of the kernels are dented, and 75 per cent are so hardened that no moisture can be squeezed out. The length to which the silage should be cut is from one-half to one inch. Silage cut this short will pack better and the silo will hold its maximum tonnage, and the chances for the silage to spoil are considerably reduced.

The South Dakota experiment station relates some data in Bulletin 182, which is based on a series of tests of the same variety of corn at different times in order to represent different stages, commencing with the blister or milk stage and ending with the well matured but frosted stage.

The results indicated that silage made from corn

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that is glazed or dented before the stalks and leaves become dry produced the best daily gains. The differences in the average daily amounts of feed consumed by the steers in each lot and the amount of silage required for a pound of gain are similar to the variations in moisture and chemical content of the four kinds of silage used each year.

In "Feeds and Feeding," Henry and Morrison have said:

In late seasons it is best to let corn stand till after frost rather than ensilage too green, for satisfactory silage can be secured from frosted corn, and the crop may mature to a considerable extent before a severe frost comes. If the crop is killed by frost, it should be ensiled quickly, for the storm which usually soon follows will wash out much nutrient from the frosted forage, and the wind will also whip off the dried, brittle leaves. If the plants dry out before the crop can be ensiled, water should be added as the silo is filled, to insure the necessary fermentation that preserves silage.

TRADE NOTES

Embrey Anderson of Memphis, Tenn., recently awarded a contract to the Ellis Drier Company of Chicago, Ill., for an Ellis Drier with capacity of 450 bushels hourly.

The Kansas City office of Sprout, Waldron & Co., of Muncy, Pa., was recently moved from room 308 into larger quarters in room 612 in the New England Building. The office is under the management of H. C. Malsness, southwestern representative of the company.

Sprout, Waldron & Co., of Muncy, Pa., was host to members of the Pennsylvania Millers State Association in September and took the visitors on a sight seeing trip over this large plant. One of the interesting departments visited was that of the Monarch Attrition Mill which is well known in feed mill, flour mill and grain elevator plants.

The B. F. Goodrich Rubber Company of Akron, Ohio, recently announced the appointment of George B. Champion to the position of manager of Goodrich Mechanical Sales at Akron, succeeding T. A. Bonnett, who becomes manager of the Products Control Department, New Goods Division. Mr. Champion was formerly district sales manager at New York.

The Foote Bros. Gear & Machine Company of Chicago, has just issued an interesting bulletin entitled, "Foote IXL Flexible Couplings." This booklet contains a great deal of valuable and instructive information pertaining to the use of flexible couplings for practically every purpose, from the smallest unit manufactured to couplings large enough to transmit several hundred horsepower. The bulletin is now ready for distribution and it is recommended that any grain dealers or others who are interested in the couplings of direct connected machinery send to the firm for a copy.

The Consolidated Products Company, Inc., 15 Park Row, New York City, dealers in used equipment, has purchased the American Hominy Company's plant at Indianapolis, including all equipment and real estate. The plant has 200,000 square feet of floor space and has a very advantageous location with the most modern facilities for storing and shipping, and facilities for obtaining 15,000,000 gallons of water daily. The manufacturing equipment includes a complete power plant of 2,500 horsepower with two large generators, one of 1,000 K. W. and the other 600 K. W. a complete syrup and oil plant which includes 29 Anderson Expellers and Cookers, and a complete milling plant. The present holders are prepared to sell the plant as a whole or in separate units.

CANADIAN WHEAT POOL AGREEMENT

The contract between the Manitoba Wheat Pool and the elevator companies has been completed. It is understood that the rate of 1 3/4 cents a bushel elevator charges, on wheat special binned or stored to grade, which was in force between the Alberta pool and the elevator companies on last season's crop is being continued this year, but the commission for special services, insuring, inspecting and financing initial payments, has been reduced from

one cent to three-quarters of a cent, making the total elevator charge per bushel 2 1/2 cents instead of 2 3/4 as was made under the Alberta agreement last year.

On less than carload lots a charge of 5 1/4 cents a bushel will be made on grades No. 1, 2, 3 Northern, the spread on lower grades not to exceed 6 cents a bushel. The pool officials state that last year the spread on street wheat in Manitoba ran all the way from 8 to 21 cents a bushel, so that the contract rates represent a considerable saving to the shareholders of the pool.

Pool shareholders are not compelled to ship through the elevators. They may, as now, ship over the loading platforms and thus save the elevator charges of 2 1/2 cents a bushel. In such cases the shipper will receive the initial payment from the pool office, which on this year's crop will be \$1 a bushel. When grain is shipped through the elevators the initial payment will be made by the elevators and charged to the pool. The agreement is for three years.

COCKLE IN THE WHEAT

The seed of the cockle is pretty well scattered through American wheat fields, though the percentage of prevalence differs widely. An investigation by the Department of Agriculture as to the extent to which certain weeds were found in wheat fields embraced nine states: Pennsylvania, Maryland, Virginia, Illinois, Missouri, Minnesota, South Dakota, North Dakota and Montana.

In the eastern group of states, Pennsylvania had the largest percentage of wheat area infested with cockle, or 50 per cent. Maryland was next with 48 and Virginia third with 44 per cent. In the western group of states, Minnesota was highest with an area infestation of 26.8 per cent, followed by Missouri with 25.5 per cent, Montana 23.1 per cent, North Dakota 20.1 per cent, South Dakota, 16.2 per cent and Illinois, 4.4 per cent. These figures relate to wheat areas. The figures showing the percentages of wheat fields where cockle was found were much larger in each state, running from 10.2 per cent in Illinois to 69.5 per cent in Maryland.

TERMINAL DRIERS WITHOUT A BOILER

The accompanying illustration shows a terminal elevator equipped with six individual Randolph Direct Heat Grain Driers of a capacity of 600 bushels per hour each, removing 7 per cent of moisture from corn, operating with the pulverized coal system, or can be individually hand fired.

This illustration shows how the damp corn is carried in bins above the drier passing through the drier and through the cooler into a bin below for storage and below this is located the individual furnaces for the operating of each drier.

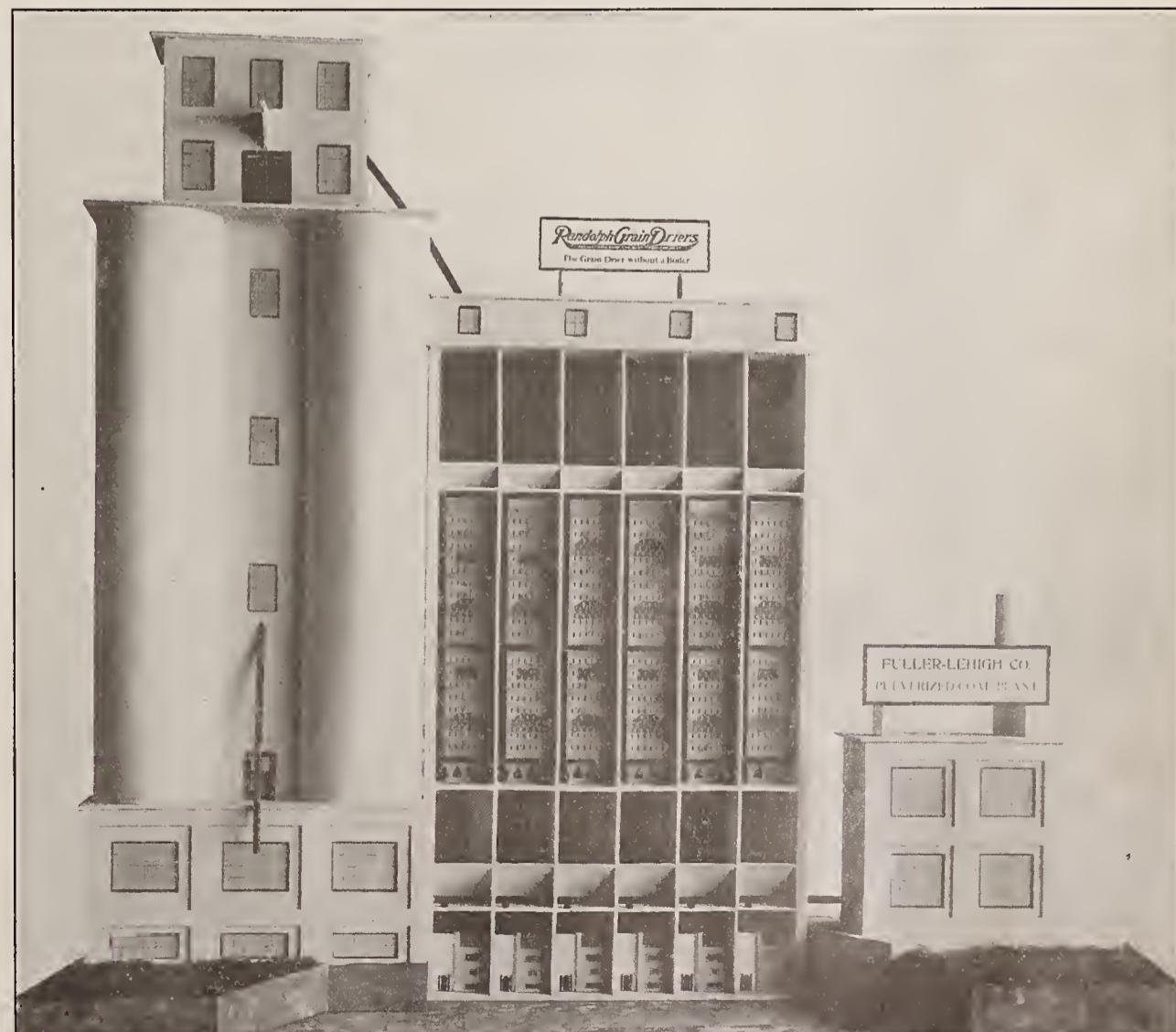
The increased cost of fuel, labor and up-keep on steam driers have made it difficult for terminal elevators to compete with the country elevator using the direct heat system for drying of grain. With this system you eliminate the freezing and bursting of pipes; the employing of a licensed engineer and the deterioration upon boilers and cuts the fuel consumption 75 per cent.

These driers are all equipped with automatic temperature control so that the temperature is under the control of the operator at all times regardless of what the temperature may be outside of the building. Sudden changes of temperature have no effect upon this drier. It has been known for temperatures to go as low as 15 degrees below zero and the temperature of the drying chamber remain at 220 degrees.

This system also eliminates all the hazards from dust collection on coils which is found in the old draw through system, as the drier and cooler are operated by individual fans using fresh air from outside for the purpose of both drying and cooling.

With a Randolph Direct Heat Drier you are able to remove 5 per cent of moisture from a bushel of unfrozen corn at a cost of one-half cent per bushel for power, labor and fuel and will dry it without blistering, cracking or damaging the grain. This system also will sweeten grain that is musty and mouldy and improve its color.

Literature on the operation of these driers will be gladly furnished by the manufacturer to any one wishing this information. Address the O. W. Randolph Company, Toledo, Ohio.



MODEL OF TERMINAL ELEVATOR EQUIPPED WITH RANDOLPH DRIERS

NEWS LETTERS

BUFFALO

ELMER M. HILL CORRESPONDENT

SPASMODIC attempts by the grain trade to emerge from a period of lethargy marked trading during the first week in October in Great Lakes shipping circles. Confronted with a lack of available cargoes, shippers were not in the market for tonnage and chartering was light. The new crop had not started to arrive at the Canadian Head of the Lakes and cargoes were scarce at Fort William and Port Arthur at the close of the first week in October. Boats that were placed to load during the first part of the month at the Canadian Head of the Lakes have been shifted to other ports.

According to present indications, the new grain will not start to arrive at the lake ports until after the middle of the month and the lake movement will be retarded to a noticeable extent. Owners will not be in a position to move all the grain during the last two months of the season if the weather does not remain favorable and elevators at Fort William and Port Arthur will be crowded to capacity.

With favorable weather prevalent last year, boats took cargoes at the Head of the Lakes late in December, but a repetition of late navigable weather cannot be expected this season. Trading in other lines will terminate in November and the entire lake fleet can be thrown into the grain carrying trade, if necessary. Despite the amount of tonnage that is placed on the market, fancy rates are almost certain to be paid during the closing week of the official shipping season.

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There has been a shortage of cars at Georgian Bay grain receiving ports and many boats have been delayed five and six days. There also is delay in unloading at Port Colborne, Ont. Elevators are pretty well plugged and boats have been held in port waiting for elevator space. There is good dispatch at Buffalo and boats are being worked out as fast as they arrive. There is a brisk movement of grain via rail and canal to the seaboard, while the movement between Buffalo and Montreal via the Welland Canal has been brisk throughout the greater part of the season.

* * *

The Dust Explosions Committee of the National Fire Protection Association held a brief meeting in the Hotel Statler at Buffalo last month. The committee considered regulations for the prevention of dust explosions in elevators and feed mills. David J. Price of Washington was chairman of the conference. He is engineer in charge of dust explosion investigations of the United States Bureau of Chemistry. The latest dust explosion in Buffalo which started the fire which destroyed the Exchange Elevator attracted the attention of the committee and Mr. Price.

* * *

The Washburn-Crosby Company will erect a marine tower and gallery on its mill at the Blackwell Canal and South Michigan Avenue, to cost approximately \$55,000. The company also has obtained a permit for a new steel and tile flour storage house to be erected at a cost of \$25,000 adjoining the South Michigan Avenue elevator and mill.

* * *

Two Buffalo grain elevators are affected by the consolidation of four grain corporations into the Grain Marketing Company of Chicago. The elevators to be controlled by the consolidated companies are the Connecting Terminal on the Blackwell Canal and the Export Elevator on the Hamburg turnpike. The Connecting Terminal with a capacity of 1,100,000 bushels was owned by the Pennsylvania Railroad Company, and the Export Elevator with a capacity of 1,000,000 bushels was owned by the Armour Grain Company, one of the companies in the merger. The Connecting Terminal Elevator is under lease to the Grain Marketing Company while the Export Elevator is acquired through the purchase of the Armour Grain Company. H. W. Hudson, who has been representative of the Armour Company at Buffalo, with offices at 1300 Chamber of Commerce, has been made Buffalo manager of the new grain marketing company.

* * *

Despite the fact that an addition has just been completed to the Port Colborne, Ont., grain elevator, which now has a capacity for 3,150,000 bushels, it is still inadequate to meet the demands made upon it, according

to W. R. Motherwell, Minister of Agriculture for the Dominion of Canada, who has just completed a tour of the entire Fort William-Montreal grain transportation system in Canada. He says there is urgent need for additional storage space at the Government Elevator at Port Colborne, Ont. He said, however, additional transfer space might better be located at the foot of Lake Ontario in anticipation of the completion of the new Welland Canal which might tempt many Great Lakes grain carriers to proceed through the Canal toward Montreal, thus avoiding Port Colborne and Buffalo.

* * *

The Brayton Bean Company, Inc., of Albion, N. Y., of which John R. Keil is president and general manager, filed a voluntary petition in bankruptcy scheduling liabilities of \$44,505, with assets of \$10,725 of which \$10,000 is in accounts receivable. The greater part of the liabilities is due to banks on loans to the corporation.

* * *

John T. Cavanaugh, Federal grain inspector at Buffalo for many years, has been transferred to Norfolk, Va. The secretary for the Buffalo Corn Exchange gave a farewell dinner to Mr. Cavanaugh and the guests included P. D. Connors and his staff of seven licensed Federal inspectors and members of the state inspection department in addition to several elevator and grain men.

LOUISVILLE

A. W. WILLIAMS - CORRESPONDENT

THE grain and feed business in Louisville has been quite fair over the month, while demand for elevator space has been far in excess of the local facilities. At the present time storage for probably a million bushels could be used if it were available. Every elevator in the city that can be had for rental space is full up. In fact some companies are handicapped in handling daily business due to shortage of bin space.

Demand for grain, hay and feed has been fair, but not really heavy, due in part to high prices. There has been a good movement of seed oats, rye, wheat and barley, which is practically over now. Corn has suffered a little from frost, according to reports, but is now showing improvement as a result of a real Indian summer. A lot of corn is being cut and shocked in some sections of the state. Movement of new corn will hardly start before November, and may be quite wet at the start, which will result in active demand for drier space.

* * *

The Kentucky Public Elevator Company, according to F. C. Dickson, vice-president and general manager, is full up, having all the grain it can handle, and a considerable amount of long time storage on wheat. Mr. Dickson stated that he had turned down storage on about a half million bushels of grain which he couldn't accommodate. Daily handlings on in and out-bound movement will run around 10 to 12 cars.

* * *

Local grain prices show No. 2 Red wheat, at \$1.60 a bushel; corn, No. 2 White, \$1.21; No. 3 White, \$1.20; No. 2 Yellow, \$1.20; No. 3 Yellow, \$1.19; Mixed corn, one cent a bushel under Yellow grades; No. 2 White oats, 58 cents; No. 3 White, 57 cents.

Feed prices of jobbers are lower than those of some mills, as is usually the case. Good grades of feed, cotton carlots, Louisville, are offered by jobbers at \$31 for bran; \$33 for mixed feed; \$35 for middlings, and hominy feed meal is priced at \$46. One mill is asking \$33 for bran; \$38 for mixed feed and \$40 for middlings.

Hay prices are firm, No. 1 baled Timothy, \$21; No. 2, \$20; No. 1 Mixed, \$21; No. 2, \$20; No. 1 Clover, \$19; No. 2, \$18; wheat and oat straw, \$14; rye straw, \$16.

* * *

There has been an abnormally heavy demand for small grains for fall planting, due to short corn crop, and high prices on all grains. Movement of rye has been very heavy. Seed rye is selling in sacks through seedsmen at around \$1.50, with turf oats, \$1.50; barley, \$1.50 and seed wheat, \$2.

As a result of the very strong wheat market, prices of flour have been steadily advanced, until short patent

flour, cotton, carlots, Louisville, is quoted at \$8.85 to \$9 a barrel; long patent, \$7.80 to \$8.05; and \$7.05 to \$7.30 for first clears. Mills are running five to six days a week in Louisville, and producing a lot of feed. The southeastern millers are reporting an average of 70 per cent running time through the millers' association. It is held that most of the Kentucky small town mills will be out of wheat shortly after the first of the year, due to small production. Present flour demand is strong on low grades and long patent, the short patents not being so easily moved.

* * *

Edward Scheer, at the Bingham Hewett Grain Company, remarked that business was a little due, as the country trade is not buying at present prices, farmers still had pasture, and farm corn, and are not buying, while seed demand on wheat, rye, oats, etc., had about been filled.

* * *

G. A. Breaux, of the Ballard & Ballard Company, Louisville, has recently returned from a trip to California, where he visited his daughter, Mrs. David Minton, in Los Angeles.

* * *

Clyde Dyer, night watchman for the elevator of Henry Fruechtenicht, 211 North Hancock Street, was found dead on the floor at the plant, about 9 o'clock on the night of August 7. When his clock call failed to come in at the office of the American Protective Association, a guard was sent to the plant, and found the man dead.

* * *

Madison Baugh Beville, 71 years old, formerly owner of the City Grain Elevator Company, Louisville, who retired three years ago from business, died on September 25. He was a native of Wytheville, W. Va., coming to Louisville 44 years ago.

* * *

J. W. Rider, owner of a feed store at Mt. Vernon, Ky., also a garage business and hotel, was shot and killed on September 29, while making a round of his properties before retiring for the night. William Perciful, 32 years of age, a railroad section hand was arrested, charged with murder.

* * *

There has been nothing new announced concerning causes of the collapse or dust explosion which wrecked two tanks of the Wathen Milling Company's elevator some weeks ago. Numerous opinions have been expressed, but no information has been given out by Wathen officials.

* * *

Country demand should start showing improvement before long, due to the fact that good corn can be marketed at good prices, and farmers should develop into better buyers of feed than is usually the case when corn is plentiful and cheap.

PHILADELPHIA

WM. A. LOCKYER CORRESPONDENT

MOVEMENT of flour and grain through the Port of Philadelphia continues to increase. For the month of September exports included 49,920 barrels of flour; 2,068,535 bushels of wheat; 371,838 bushels of oats; 319,445 bushels of rye and 132,252 bushels of barley, the shipments being greatly in excess of those during the month of August, and with the single exception of flour, also in excess of those for September, 1923.

Grain and flour constitute the greater part of cargoes now moving and the general tendencies of the charter market are decidedly firm. That the grain trade will continue to seek tonnage for the balance of the year seems to be supported by reports of a crop shortage in European countries. Already a number of ships have been fixed for December and berth engagements have been made well beyond that time into next year, indicating that shippers either have business to move in the future or anticipate its coming.

* * *

New flour rates have just become effective to United Kingdom ports. From now until the end of October, the rate to London will be 21 cents a hundred pounds; from November 1 to April 30, the rates will be increased one cent. To Hull, Newcastle and Leith, the October rate will be the same as London.

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but will increase to 23 cents a hundred for the period, November 1 to April 30. To Dundee and Aberdeen, the October rate is 22 cents and for the November-April period the rate will be 24 cents a hundred on conference ships.

As for the domestic situation, the market is quiet but a strong undertone prevails.

* * *

Flour and grain supplies in Philadelphia public warehouses on October 1, last, are listed by the Commercial Exchange, as follows: Flour, 110,466 barrels; wheat, 1,399,140 bushels; corn, 29,312 bushels; oats, 284,863 bushels; rye, 184,719 bushels.

* * *

Methods of improving relations between the European buyer and American exporter, with a view to stimulating the selling movement from this side, were discussed here recently between E. C. Squire, representing the Department of Commerce, and Hubert J. Horan, president and other members of the Commercial Exchange. The conference resulted in the exchange of several helpful ideas and suggestions and should benefit the flour and grain exporters.

Local exporters told the Government agent that the bulk of reports issued by the Department dealing with European trade conditions were entirely too voluminous. He was told that the American business man was too absorbed in his own transactions to give any attention to these reports, which because of their size and the character of their makeup invariably found their way to the waste basket.

Criticism also was offered against the use of foreign terms and phrases in reports intended to instruct the American exporter. For instance at the present time, sales of wheat abroad are usually conducted on the basis of kilos, poods and quintals, depending on which country the shipment is destined, and Mr. Squire was urged to recommend that these weights and measurements be changed to the American bushel.

Mr. Squire has since sailed for Hamburg, Germany, where he plans to open an office for the Department of Commerce. He declared that as soon as he established headquarters he would communicate with Philadelphia exporters. Among those who conferred with him, in addition to President Horan, were H. Dewitt Irwin, of Barnes, Irwin & Co.; George Omerly, of the Hancock Grain Company; Walter K. Woolman, of the Philadelphia Export Company; J. W. Craig, of the Atlantic Seaboard Flour Mills; Philip Markley, of the Grain Marketing Company; C. Herbert Bell, president of the Quaker City Milling Company, and John Scattergood of the grain and feed firm of the same name.

* * *

The recent death of General Asher Miner, who was president of the Pennsylvania Millers Mutual Fire Insurance Company, has brought about several changes in the personnel of officers. Landis Levan, who was vice-president, has succeeded General Miner as president; A. T. Collins, has been elected to succeed Mr. Levan as vice-president, while Robert Miner, a son of the general, has been elected to fill out the unexpired term on the Board of Directors.

* * *

To facilitate the crop movement in the Northwest, Donald D. Conn, manager of the Public Relations Section of the American Railway Association, has requested Emil P. Albrecht, president of the Bourse, to urge local receivers of freight to unload and return promptly box cars arriving in this city which belong to western lines. With the number of car-loadings now exceeding the million mark, Mr. Conn also urges heavier loading of cars. Mr. Albrecht is a member of the Atlantic States Shippers Advisory Board and it is in this capacity that Mr. Conn has communicated with him.

* * *

There were 1,190 cars of grain unloaded at the Girard Point Elevator of the Pennsylvania Railroad during the month of September. Of this aggregate, 826 cars were wheat; 181 cars were rye; 158 were oats and 25 cars were barley. At the Port Richmond Elevator of the Philadelphia & Reading Railway, 961 cars were unloaded as follows: Wheat, 862 cars; barley, 51 cars; rye, 47 cars and oats, 2 cars. At the Twenty-ninth Street Elevator of the same carrier, 89 cars of mixed grains were handled, all for domestic use.

* * *

Charles Y. Hayward and Robert C. Hayward, of Liverpool, England, visited the local flour and grain trade last week. They are prominent British importers and brokers and while here were the guests of Walter K. Woolman, vice-president of the Philadelphia Export Company.

* * *

C. Herbert Bell, chairman of the Transportation Committee of the Commercial Exchange, presided at the meeting last week of the Joint Philadelphia Differential Committee when counsel was authorized to file with the Interstate Commerce Commission at Washington a petition opposing the request of the Port of New York Authority and the Boston Maritime interests that the various ocean and rail differential cases now pending be considered by a joint committee of the Shipping Board and the Interstate Commerce Commission. The Pennsylvania and other

local carriers have likewise filed a petition urging the Commission not to grant this request for joint consideration of these cases. Meantime the Shipping Board has inaugurated its investigation of the ocean differentials and B. Hoff Knight, manager of the Port of Philadelphia Ocean Traffic Bureau, is looking after this city's interests.

* * *

H. Dewitt Irwin, local head of Barnes, Irwin & Co., one of the largest exporters of grain in the city, has complained to the Executive Committee of the Philadelphia Ocean Traffic Bureau that New York rates on grain are lower than Philadelphia. He declares that if grain rates are lower it is possible and probable that rates on other commodities are also lower. The charge will be investigated by the Bureau.

* * *

Samuel L. McKnight, Levi West and Emanuel H. Price represented the Commercial Exchange at the annual meeting of the Atlantic Dealer Waterways Association, which was held at Newark, N. J., recently, when strong resolutions were adopted urging the construction of an intra-coastal waterway along the Atlantic Seaboard.

* * *

While a number of flour and grain brokers are still commuting to their summer homes at the seashore or nearby country resorts, a good many have recently returned to the city, among them being A. L. Hood, of E. L. Dunwoody & Co., Harvey Miller, Roy Miller and Morris Miller, all members of the firm of L. F. Miller & Sons, and S. T. Zook.

* * *

The Arcady Farms Milling Company, of Chicago, has closed its Philadelphia office in the Bourse and W. O. Hunsicker, who has been in charge, has gone to Lancaster, Pa.

* * *

The Youngsville Milling Company, of Warren, Pa., has applied for charter to deal in grain and grain products.

* * *

D. J. Murphy, a director of the Commercial Exchange, recently presented the Philadelphia Rotary Club with an autographed photograph of the Queen Dowager Alexandria of England. The presentation was made on behalf of the London Rotary Club. Mr. Murphy made an extended European tour this summer.

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Recent visitors to the Commercial Exchange, in the Bourse, included E. G. Barber and L. S. Dennig, of St. Louis; E. J. Eshelman, of Lancaster, Pa., H. F. Rieser, of Leesport, Pa.; V. E. Sapgens, of New York; J. C. Halloran, of Clinton, Iowa; William Crawford, of Chicago; Charles Wright, of Boston; Charles Varga, of Boston; S. E. Jackman, of Minneapolis; R. D. McKenna and J. B. Nicholson, of Kansas City, Mo.; Chauncey Abbott, of Omaha, Neb.; C. W. Zaring, of Jacksonville, Fla.; H. B. Atkinson, of New York; C. C. Cappell, of Pittsburgh; John B. Dougherty, of Scranton; A. S. Turner, of Chestertown, Md.; John Haines, of Malvern, Pa.; J. S. Gibson, of Chester, Pa.; Charles R. Hall, of St. Petersburg, Fla.; C. B. Warkington, of Newton, Kas.; L. C. Newsome, of Pittsburgh; Samuel Loveland, of Kansas City, Mo.; F. E. Goodrich, of Arkansas City, Ark.; E. O. Wright, of Menominee, Wis.; Martin Luther, of Minneapolis; E. Laird Goodman, of Duluth and E. F. Keiser, of Poughkeepsie, N. Y.

INDIANAPOLIS
S. F. LARRIMORE - CORRESPONDENT

CORN is receiving more attention in Indiana these days than any other crop. It is estimated that the bulk of the crop will take until October 15 to October 21 to mature and Indiana corn growers and commission men believe even then that the quality will inspect poor. So far there have been no killing frosts, but the weather has been so cool as to hold back the corn considerably. October, however, opened with warmer weather, and if it continues, there will be a big increase and better grade corn.

The Monticello district will harvest better than 50 per cent normal and if there is no frost until after October 15 it will return 60 per cent. The Lawrenceburg district requires until October 15 for a 75 per cent crop. Rushville will harvest an 85 per cent crop if no frost until that date.

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The Indiana Brokerage Company has been incorporated in Indianapolis with a capital stock of \$30,000. It will handle grain in car load lots, buying and selling. It will also act as brokers in canned goods. J. D. Bowles is president; C. D. Menzie, vice-president, and Miss I. G. Holdaway, secretary and treasurer.

* * *

Silo filling has begun, though cuttings have not become general as yet. Some corn was blown down by the storm of a few days ago, but it is doubtful if the

damage will be extensive. Commission and local elevator men report that the corn prospects are much better than last month. They are advising farmers to hold enough 1923 corn for seed next year as this crop will make very poor seed.

* * *

Fall plowing for wheat is well under way and is making good progress as a result of recent rains. Just how many acres are already in seed would be hard to say at this time. However, considerable ground is already plowed up that has not yet been seeded. It is believed that more care is being used this year in the selection of seed and elevator men express the belief that less smut will be found next year as a result.

* * *

The hay situation is about the same as last month. Good hay, as usual, is hard to get. The farmer is asking such high prices that market is made much smaller. It is perhaps just as well that this is so, as sufficient hay is arriving to take care of the dwindling local market, and buyers are balking even now at prices. Motor trucks have displaced horses to such an extent that there is much less local demand for hay this year, than even last year. Of course there is still a fair shipping demand, but even this is less than a year ago.

One of the most active Indianapolis hay men had the following to say, "This market uses Timothy hay almost exclusively, and principally Nos. 1 and 2. There has been a big hay crop this year, but most of it will run in low grades. Strange to say, the farmer refuses to take supply into consideration, and is holding for even higher prices. He doesn't seem to have learned anything from his experience of a few years ago, in wheat, when he held for \$3."

MILWAUKEE
C. O. SKINROOD - CORRESPONDENT

AT LAST the Milwaukee grain trade seems to be out of the woods. Offerings of grain for last month for the first time in a long period show a real jump all along the line, in contrast to the small increases and spotty gains in the past. The aggregate of the five leading grain receipts for September shows better than 10,000,000 bushels as compared with approximately 6,000,000 bushels for the same months a year ago. Milwaukee grain men are highly encouraged by the fine showing for September. Coming after the slack grain trade for many months, the deluge of offerings was doubly welcome.

* * *

The great increase in cash trading in grain at Milwaukee is also reflected in the futures trading. It has been many years since interest in trading in futures was as high as it is at present. The rapidly rising prices and especially the quick changes in the market values are said by Milwaukee grain men to be large factors in the revival in trading. A tremendous bullish trend always brings out a lot of dealing, grain men assert.

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Manitowoc, Wis., reports that the huge supplies of grain flooding western markets have concerned that city. The steamer *Clemens Reiss* after unloading coal there took on its first load of wheat since last spring and headed for Buffalo. With the present heavy grain movement it is expected that several boats will take grain out of Manitowoc before navigation closes.

* * *

Unusually heavy supplies of grain are reported in storage at Milwaukee after the opening of October with approximately 738,000 bushels of wheat, 370,000 bushels of corn, more than 2,370,000 bushels of oats, 235,000 bushels of barley and 94,000 bushels of rye.

* * *

Elevator B of the Atlas Flour Mills, Bernhard Stern & Sons, has been declared a registered storage house by the Board of Directors of the Milwaukee Chamber of Commerce. This elevator has a capacity of about 400,000 bushels.

* * *

Among the corporations which have been admitted to the privilege of trading at the Milwaukee Chamber of Commerce are the Grain Marketing Company, the big co-operative concern; the Hales Milling Company, and the Mapl-Flake Mills, Inc.

* * *

Reports received in Milwaukee indicate that Wisconsin still leads the United States in the manufacture of malt, an echo of the old days when brewing was a big business in this state. The reports indicate that there are just 22 malt plants left in the country, as some four concerns have given up the ghost since 1921. Out of these 22 concerns still going, eight are in Wisconsin, four each are in Illinois and New York, and the other six plants are in California, Iowa and Minnesota. Wisconsin still has twice as many plants as any other state in the Union.

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The largest cargo of grain ever carried on the Great Lakes was taken to Buffalo by the steamer *William C. Amberg* of the M. A. Hanna lines. This cargo consisted of 608,000 bushels of oats. The largest previous cargo loaded

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out of the Head of the Lakes, was 560,000 bushels of grain, according to F. W. Feidler, chairman of the Wisconsin Grain and Warehouse Commission. Mr. Feidler said it would take a farm of about 12,000 acres yielding 50 bushels of oats to the acre to produce the grain which went into the single cargo carried by the *Amberg*.

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Notice has been filed with the secretary of state of Wisconsin that the Grain Marketing Company of Delaware, of which Gray Silver is president, has increased its Wisconsin capital from \$200,000 to \$500,000. A. R. Templeton is the agent for the company in Milwaukee.

* * *

The Milwaukee stocks of flour have taken a sudden jump with 54,000 barrels at the openin gof the month, compared with 24,000 barrels a month ago and 25,000 barrels for the same date of last year.

* * *

The Ladish Grain Company will erect a \$50,000 elevator, warehouse and work house at Jefferson Junction, Wis. This will give the company considerable additional facilities at this point.

* * *

James A. Mander, formerly Milwaukee manager for the Armour Grain Company and also for a time president of the Chamber of Commerce, has been elected a vice-president of the Mapl-Flake Mills, Inc., at Milwaukee.

* * *

Friction between the iron buckets of the elevator leg and some foreign substance, probably a nail or a stone, was the cause of the fire which caused a loss of \$1,000,000 to \$1,500,000 in the plant of the Krause Milling Company. This fire took place on September 2 and was one of the most spectacular grain plant fires in Milwaukee for years. The verdict of the cause as outlined was given by the Industrial Commission of Wisconsin at Madison, Wis.

The statement said: "The first ignition probably occurred from contact between the iron buckets of the elevator leg and some foreign substance such as a nail, stone, cartridge or bolt. Foreign material of this kind had frequently been observed in the class of stock being received."

The investigation by the Industrial Commission showed that there were two major explosions and several minor ones, the latter occurring in remote pockets.

According to the officials of the company the plant will be rebuilt on about the same scale as it was before the fire. The contract has been let for the removal of all of the wreckage, and President Charles A. Krause plans to go ahead with the new construction with all possible speed. Since this is one of the largest corn milling and corn product plants in the country, the rebuilding is important to the grain trade of the city because of the large outlet for corn which the company will afford.

* * *

The October rate of interest at the Chamber of Commerce has been fixed by the Finance Committee at 6 per cent. This is the same as the rate for the last few months.

* * *

E. F. Flanagan of Huron, S. D., was among the visitors at the Milwaukee Chamber of Commerce.

* * *

An interesting list of "high records" at the Milwaukee Chamber of Commerce has been compiled during the present big revival in grain receipts which has turned the attention of grain men to the subject again.

The largest receipts of grain for a day at the local market was 815 car loads. The biggest single day's receipts of corn was 357 car loads. The largest week's receipts was 2,311 car loads. The largest cargoes sent out of the city, according to shipping records, were 264,000 bushels of wheat, approximately 432,000 bushels of corn and about 471,000 bushels of oats.

The heaviest car of grain ever received at the local market was 140,700 pounds of wheat on February 1, 1919. This wheat aggregated 2,345 bushels and sold at \$2.18 a bushel, and brought \$5,009.85. The largest "bushel" carload was unloaded on November 5, 1917 and contained 4,083 bushels or 130,660 pounds of oats. Other high record carloads were: Corn 2,510 bushels, or 140,560 pounds, in June, 1917. Barley record was 2,723 bushels, or 130,720 pounds in October, 1922. The rye record was 2,151 bushels, or 120,500 pounds, which was unloaded on March 28, 1919.

* * *

Fred C. Reynolds has been named as secretary of the Milwaukee Harbor Commission, to succeed Herman Bleyer, who dropped dead a few weeks ago. Mr. Reynolds has been a member of the harbor commission for several years. He has long been interested in marine work. Mr. Reynolds will serve as a provisional secretary until he can take the civil service examination. The recommendation of the appointment was made by W. G. Bruce, Bennett Larson, Carl F. Ringer and R. H. Pinkley.

Mr. Reynolds has lived in Milwaukee for about 30 years and is now 68 years old. He started in marine work as a clerk. He was employed for a time by the Goodrich Transit Corporation and later by the Pere Marquette lines. He is still financially interested in both the Goodrich and Pere Marquette companies.

* * *

Reports of President H. E. Byram of the Chicago, Milwaukee & St. Paul Railroad sent to Milwaukee indicate that the marketing of wheat is not a "grand rush," but

merely a free movement. Mr. Byram says the crop situation in the Northwest is very favorable. He asserts that corn in Minnesota and South Dakota escaped with very little frost damage. Mr. Byram adds that there is every indication that the crop will be marketed in orderly fashion and that there is little likelihood of a car shortage.

Mr. Byram points out that caution is still evident in the trade of the Northwest, that the farmers are not spending before they get their money, but they are waiting for the actual returns. He asserts that the movement of general merchandise still reflects backward buying, and the farmers are as yet giving little evidence of increased prosperity. However, this will come along a little later.

* * *

Crop reports from Wisconsin indicate that the damage to corn from the recent frosts will range all the way from 25 to 50 per cent. The crop is now said to be about 50 per cent matured and cutting is in progress. Threshing is still going on in the northern section of the state and farmers are now planting their winter grains under favorable conditions. In some of the southern counties of the state, Winter wheat is coming up.

The Wisconsin barley crop will be exceptionally good, according to estimates with a yield of approximately 14,700,000 bushels against a harvest of 13,250,000 bushels last year. There will be quite a cut in the corn yield with 70,000,000 bushels estimated for the state, as compared with better than 83,000,000 bushels for Wisconsin last year.

* * *

The Board of Directors of the Chamber of Commerce at Milwaukee is considering a plan of having traveling solicitors for local grain firms come under some regulation. It is expected that such men will have to obtain the O. K. of the Committee on Membership. An amendment to the rules of the Chamber would be required to bring about this control.

* * *

Michael Linesek, aged 46, who was burned in the fire at the Krause milling plant September 2, died at Marquette University Hospital a few days after the fire took place. It was expected for a time that he would recover.



LEVATOR men and commission houses on this market have been coming into their own with a vengeance since the run of new Spring wheat and Durum wheat and barley began right after Labor Day. Statistics of the Duluth Board of Trade's secretary's office showed that receipts at the elevators here during September surpassed the previous best month in the history of the market back in November, 1915, by over 10,000,000 bushels.

* * *

For the first time in the experience of the trade here the railroads found it necessary to declare an embargo effective on October 3 against further shipments to the terminals here until an accumulation of approximately 14,000 cars of grain that had backed up between the elevator slips and points of shipment's origin as far west as Minot, N. D., could be reduced to a more normal quantity. The embargo was maintained up till October 10, when conditions had been so relieved that the railroads were able to lift it. The congestion was brought about through current receipts of all grains at the Duluth and Superior terminals over a period having exceeded the 1,400 cars a day handling capacity of the elevators by from 400 to 500 cars a day. Operators here claimed that the embargo might have been avoided if the railroads had kept close tab of the flow and regulated it accordingly at its points of origin. The trade here filed a protest with officials of the Northwest railroads against the regulations governing the embargo. It was pointed out during a conference between the railroad operating officials and elevator and commission men here that a plan must be made effective after the embargo was lifted to prevent any unduly heavy movement from Minneapolis to the Head of the Lakes terminals or another congestion might be expected to speedily develop. While it was all in the course of business, Duluth interests contended that they were given the worst of the deal through the operation of the embargo, in that an advantage was obtained by Minneapolis dealers through their being able to divert grain their way that would otherwise have come to this market. It was further claimed that Minneapolis operators lowered their spot premiums immediately after the embargo to this market became effective, thus placing them in position to take advantage of the higher prices obtainable on this market by routing it this way after the raising of the embargo. It was claimed that Minneapolis millers did not want the overplus of Spring wheat moving their way to say nothing of rye that must seek an outlet through export channels, so that the country seller is out the extra bill from there to the terminals here. Operators here also contended that if

it had not been for the routings of from 400 to 500 cars a day from Minneapolis to this point for a time before the embargo became effective, the elevators here would have been able to handle the current receipts from over the country so that the subsequent congestion would not have arisen.

The position of Duluth operators in that connection was recognized by the railroads. The official Duluth Board of Trade notice announcing the lifting of the embargo said—"railroad officials here have warned the trade that if grain is moved from Minneapolis in any volume, the embargo will have to be again placed against Duluth because the elevators cannot unload more than their country receipts. In the interests of the proper marketing of country producers' grain and to prevent the application of the embargo again within a few days, grain men should govern themselves by the advice from the railroads."

* * *

Members of the trade at Duluth are looking forward to marketings of grain being maintained in record volume right up to the close of navigation. It is hoped that export demand will continue in sufficient volume to keep the grain moving from Buffalo to the seaboard, so that it may be possible to bring about the emptying of the elevators at this point, placing them in position to accept a normal run of grain from the country during the winter months. Demand for boat space to move grain East has therefore been on the heaviest scale lately in several seasons. With a good supply of boat tonnage available so far, charterings for wheat and rye for shipment to Buffalo and Georgian Bay points have been made at 2 cents a bushel and cargoes for winter storage have been reported at 5 cents a bushel. In view of the apparent certainty that storage facilities will become plugged up here next winter, demand for winter storage space on steamers is expected to be active from now on.

* * *

Trade in rye was a feature on this market during the last month, with exporters showing more interest than at any time in the history of the trade on this market. A spot figure of \$1.32 for No. 1 rye set here recently compared with a mark of around 61 cents early last spring. A movement of over 16,000,000 bushels of rye to this market during the present crop year from August 1 to October 9, compared with only 5,150,000 bushels up to the same period last year. Stocks of rye in the elevators standing at around 2,500,000 bushels are claimed to have been already practically all sold for eastern shipment together with a considerable quantity bought to arrive.

* * *

Operators here are according the railroads serving this market full credit for the manner in which they have handled the bumper movement from the country so far. Lack of sufficient switching engines to take care of the movements of cars at the various elevators was considered to have been partly responsible for the congestion that came about. Some of the elevators were at times compelled to call halts in their operations through insufficient cars being fed into them, while other plants had more loads than they were able to handle. The elevator staffs have worked long hours and they are conceded to have demonstrated their efficiency in keeping the grain routed to them moving from the cars to steamer legs. The continued average high quality of the wheat and other grains that has been moving this way this season has been a factor in enabling the state inspection department and the elevators to take care of the quantities they have since the fall movement began.

* * *

Recent changes in the present membership of houses operating on the Duluth market included the withdrawal of H. F. McCarthy, formerly of the International Grain Company, and the transfer of his membership to W. B. Joyce, manager of the Van Dusen-Harrington Company's office here. Mr. Joyce transferred that membership to F. J. Bisbee of the Bisbee Linseed Company of Philadelphia. The latter concern does not propose to establish an office here directly, but it will operate through other houses. Watson Moore transferred a Board of Trade membership to Warren W. Moore. The membership of O. E. Harris has been transferred to W. W. Durham of the W. C. Mitchell & Co. The membership of John T. Calhoun has been transferred to G. W. Sands of Spencer Kellogg & Sons. Mr. Calhoun has been transferred to the Minneapolis market. T. H. Welch has been elected to membership on the Board of Trade here and P. Mallon is now associated with the Barnum Grain Company, having taken over the Board of Trade membership of James F. Bell.

* * *

George G. Barnum, Sr., one of the pioneer grain men on this market celebrated his eighty-first birthday on October 10. He was warmly congratulated on the occasion by members of the Board of Trade. Mr. Barnum is still hale and hearty and he gives personal daily attention to the grain business of his firm.

* * *

On account of the extraordinarily heavy movement of grain this fall C. E. Hartman of Washington, D. C., car service agent of the American Railway Association, has been stationed at Duluth to aid shippers and carriers in expediting the movement of cars and in solving the transportation problems that arise at this season. P. J. Coleman of Minneapolis is the district manager

for the division, which is working with the recently formed Northwest Regional Advisory Board, an organization composed of both carriers and shippers. Mr. Hartman pointed out that the grain trade is beginning more fully to recognize the evolution that is taking place throughout the country in the change of its great national problem from one of production to that of distribution. The public now realizes that the real task is not of producing a commodity but that of marketing and distributing it, he said.

* * *

What is regarded as one of the most important developments in favor of elevators and commission houses on the Duluth market has come about in the issuing of an order by the joint terminal committee of the Northwest Regional Advisory Board against the practice of holding cars of grain at sampling points in this district. That was regarded by the Board as a cause of congestion, and it at the same time operated against the Duluth market in permitting Minneapolis grain men to hold out cars and to later order them to be shipped to either Minneapolis or Duluth according to marketing conditions at the time. Under the new regulations cars of grain consigned to Duluth or Minneapolis cannot be stopped at Wilmar, Glenwood, St. Cloud, Staples, Cass Lake, Sandstone and Thief River Falls. The Federal authorities have orders not to draw samples from cars billed to the above points.

* * *

E. H. Smith, formerly manager of the American Linseed Company's Duluth business, but during the last few years holding an executive position at his company's New York headquarters, was a recent visitor on this market, having been called here to bury his father who died in California. He expressed himself as hopeful regarding the outlook in the linseed oil trade during the coming season.

* * *

R. M. White of the White Grain Company, commented upon the remarkable change in the grain handling situation on this market since the beginning of the new crop year. He predicted a continuance of a substantial movement of oats from this market to the East throughout the year. At present oats are very much of a drug on the market, approximately 8,850,000 bushels of them being carried in the elevators here. The elevator companies are desirous of loading out their oats supplies as far as possible to make space for handling other grains.

NEW YORK

C. K. TRAFTON - CORRESPONDENT

MEMBERS of the N. Y. Produce Exchange and indeed virtually all other exchanges and particularly men in the cotton trade learned with keen regret of the passing away of their venerable friend and associate, Henry Hentz, who passed away early this month in his ninety-first year.

Mr. Hentz, who founded the firm of Henry Hentz & Co. in 1856, was one of the original 100 members of the N. Y. Cotton Exchange, of which he had been a leader and officer since its organization. Naturally Mr. Hentz was rated as one of the most prominent cotton factors in the United States. In addition he was the oldest member of the Chamber of Commerce in the State of New York, having reached his sixty-sixth year of service in that organization last May. He had served the Chamber of Commerce so well and so faithfully for so many years that on March last he was unanimously elected an honorary member of the Chamber in recognition of his long service.

Furthermore, Mr. Hentz was connected with several other important organizations, including the N. Y. Produce Exchange and the Coffee Exchange. For many years his firm transacted a large business in grain and especially in future contracts. Naturally he was highly esteemed in business circles, not only in this state but elsewhere.

* * *

E. S. Galloway, representative in this country for the English importing house of Webb & Kenward, Inc., has resigned his membership in the N. Y. Produce Exchange. Early in October Mr. Galloway left for Vancouver, where he will enter the export department of Spillers Milling & Associate Industries, Ltd., of London. It was the general assumption that the style of the house in Vancouver would be Vancouver Terminal Grain Company.

* * *

Henry A. Rumsey, president of Rumsey & Co., cash grain handlers on the Chicago Board of Trade, was a visitor in the local grain trade on the N. Y. Produce Exchange late in September.

* * *

E. B. Thompson, grain trader on the Chicago Board of Trade, was visiting friends in the local market early in October.

* * *

When Martin B. Jones, grain receiver, returned from Europe it became patent that he considered the outlook brighter for large exports of grain from this

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country. It was recently confirmed by the fact that his firm has gone into the export business on a still larger scale, as he had added to his staff two members of the grain trade, namely Karl Nischk and H. B. Watson who have long been familiar with the export trade.

* * *

Benjamin B. Bryan, the genial head of the big private wire house of Logan & Bryan, N. Y., Chicago, and several other markets, has been with Mrs. Bryan spending several weeks on a fishing trip in Maine.

* * *

H. A. Abbott and F. J. Wicky who are connected with the old firm of Albert Dickinson, seed merchants of Chicago, were calling on members of the trade on the N. Y. Produce Exchange early this month.

* * *

Those veteran and highly popular grain brokers, S. K. Fox, familiarly called Steve, the able representative in the grain trade on the N. Y. Produce Exchange of Logan & Bryan, and "Archie" Montgomery, head of Montgomery & Jenkins, old time brokers in grain, etc., received a hearty welcome when they returned early this month after an absence of nearly a month, which was spent mainly in fishing in the Rangeley Lakes, Maine.

John Melady of the Melady Grain Company, received a hearty welcome when he returned from a two months' trip through Europe.

* * *

Fred L. Ottinger, who formerly represented J. C. Francesconi & Co. on the floor of the N. Y. Produce Exchange has gone with the firm of B. F. Schwartz & Co., Inc., as a representative in the grain and cottonseed oil trades.

* * *

Fred S. Lewis, vice-president of the Chicago Board of Trade and prominent in the grain market, spent a few days with friends on the N. Y. Produce Exchange early this month. In his opinion trade in cotton on the Board of Trade will start in about 30 days and he anticipates great trading there.

* * *

F. M. Bennett, who for many years represented Lamson Bros. & Co. in this market and was afterwards with the Armour Grain Company until its merger into The Grain Marketing Company, has recently been appointed a representative in the N. Y. Produce Exchange for the Nye & Jenks Grain Company.

* * *

W. L. Sweet of Robinson & Sweet, the well known grain receivers and exporters, was back on 'Change early this month after a vacation lasting two and a half months. Meanwhile his partner, Charles A. Robinson, who is also a member of the Chicago Board of Trade, is still in Europe where he went three months ago, and is not expected back until the end of October.

* * *

John Barrett, the prominent Chicago grain operator, spent about a week with his friends in this market early in October. When Mr. Barrett was here he arranged with that veteran of the local grain trade, David Boyd, to represent him in this market. Previously Mr. Boyd had been assisting Guy Hamilton who is the able and popular representative in this market for Bartlett Frazier Co.

* * *

Howard G. Graff of Parker & Graff, grain receivers, has been elected a regular member of the N. Y. Produce Exchange, having resigned as an associate member.

* * *

Clarence H. Penny, who was formerly with the Schilthius American Trading Company and Parker & Graff, is an applicant for membership on the N. Y. Produce Exchange where he will represent J. J. Badenoch Company, large distributors of grain and feed in Chicago.

* * *

Bernard W. Rosar, who is a younger brother of W. F. Rosar, a member of the firm of Melady Grain Company, is an applicant for membership in the N. Y. Produce Exchange. Previously he was connected with the subsidiary house of Gooderham, Melady & Sellers of Winnipeg.

* * *

H. J. Henderson has been elected a member of the N. Y. Produce Exchange and will represent the old firm of Montgomery & Jenkins in the grain and cottonseed oil markets.

* * *

Bertel B. Klee has been elected to membership on the N. Y. Produce Exchange as a representative of the Canada-Atlantic Grain Export Company, Inc.

* * *

F. E. Alstrin of Stein, Alstrin & Co., of the Chicago Board of Trade, was visiting friends in the local grain trade late last month. He was accompanied by F. Murphy, chief of the firm's wire system.

* * *

Samuel Rowland, a veteran member of the flour trade and also one of the oldest members of the N. Y. Produce Exchange, has passed away in his seventy-fifth year in the room in which he was born. For years Mr. Rowland was a prominent receiver of flour, but in the last year or two has been comparatively inactive partly because he has been feeling poorly through heart trouble. He was greatly

esteemed not only for his sound judgment and business integrity, but also because of his unselfish devotion to his wife who has been a chronic invalid for many years and required constant attention. In spite of his retiring disposition Mr. Rowland has on frequent occasions been called upon to participate in the affairs of the Exchange.

* * *

Among the visitors on 'Change late last month was George H. Tanner of W. H. Colvin & Co., grain merchants of Chicago.

* * *

A. Stein of Lamson Bros. & Co., Chicago, was visiting friends in the local market late in September. With him was B. A. Davis, wheat representative for the same firm.

* * *

H. H. Dennis, for many years well known to members of the grain trade here and in Chicago, was visiting friends in the local market early in the month.

* * *

Members of the Produce Exchange and especially those in the grain and flour trade were sorry to hear that their old associate, Charles W. Jewell, had left to go into the flour business in Pittsburgh. When a mere boy Mr. Jewell entered the employ of Hecker, Jones, Jewell Milling Company. Afterwards he became superintendent of the N. Y. City Milling Company; then became salesman in the Metropolitan District for George A. Zabriskie, who represented the Pillsbury Mills, and still later was manager of the N. Y. office for the Duluth Superior Milling Company. Also at one time Mr. Jewell was a member of the N. Y. Produce Exchange Flour Committee and president of the N. Y. Flour Club. He will be missed here as he made many friends because of his thorough knowledge of the flour and grain business and his kindly disposition.

* * *

Watson S. Moore, head of the W. S. Moore Grain Company, received a hearty welcome back on 'Change after an absence of three months spent with his family in their summer home in Duluth, Minn., where the firm also has an office.

KANSAS CITY

B. S. BROWN - CORRESPONDENT

WHEAT has all along been possessed of a very strong undertone, and prices have advanced steadily under the influence of the world's shortage of wheat and a heavy export business enjoyed by the mills and exporters. Cash wheat has been on the upgrade, moving upward by leaps and bounds. Dark Hard sold on the Kansas City market as high as \$1.54 per bushel, on October 4, the new high levels created it was thought by active competition of European importers. Wheat, rye, oats and barley prices reached heights above any experienced in three to four years. Prices of wheat for future delivery closed on October 2 with a gain of four to five cents shown. The December price reached \$1.43 1/4 on October 6 here, while May was sold at \$1.45 on October 6. Carlot prices on the Kansas City market were quoted up three to five cents, the best milling samples selling at \$1.50. In the last three weeks wheat prices have gone up 20 cents or more.

* * *

The new Board of Trade building is progressing rapidly, with all the outside work completed. The plastering and plumbing are also finished, and only inside finishing, such as woodwork and other features, are to be done. It is expected the Board of Trade will be able to be in the new building by the latter part of December. The building is at Tenth and Wyandotte, and is 13 stories high. Part of the building will be used for other offices, but about two-thirds will be given over to the Board of Trade, it is said. Members of the Board of Trade have petitioned the postmaster at Kansas City to establish a postal substation in the Burnap Building, where it will be connected by passage way with the grain building.

* * *

The corn crop in Kansas, as estimated at 148,131,000 bushels in the report of September 10 of the State Board of Agriculture, is the largest crop produced in Kansas since 1915. It is 26,000,000 more than last year's crop. This state gives the following data regarding grain crops of Kansas: "This large corn crop, added to an estimated production of 154,258,000 bushels of Winter wheat, 40,399,000 bushels of oats, 15,912,000 bushels of barley and 29,497 bushels of grain sorghums, makes 1924 one of the best grain yields Kansas has experienced in a decade." The report states that 80 per cent of this year's wheat crop had been threshed on September 1 and that 53 per cent of the crop has already been marketed. In the lesser crops, improvement is noted: Alfalfa seed is estimated to be yielding 2.6 bushels to the acre compared with 1.6 last year, although it will hardly equal the crop of 1923, it is said; Clover seed has yielded 1.8 bushels compared with 1.2 last year; the Red Clover crop is estimated at

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120,000 tons this year compared with 92,000 tons last year. It is reported through various sources that farmers of eastern Kansas who have raised what is believed to be the best corn crop in the United States are going to sell their corn as soon as it matures. These farmers, it is said, consider that with the cattle market bad and the hog outlook uncertain, it would be foolish to feed dollar corn to stock. It is, therefore, felt certain the money from this crop will be in circulation much earlier than it is some years.

* * *

Insofar as the Southwest is concerned, export business has been exceptionally heavy through the port of New Orleans, and only the lack of a sufficient number of steamers to handle the business has prevented still heavier business obtaining. Provisions are now being made, it is reported, to take care of this shortage in boats. The export business on the Kansas City market has been unusually heavy during the last two months, showing up particularly well through September.

* * *

A fire that occurred September 13 did considerable damage to the mechanical and wire service of the Postal Telegraph office on the trading floor of the Kansas City Board of Trade amounting to about \$2,000, it was estimated. It was thought the fire was due to lightning which caused a short circuit.

* * *

Thomas J. Smith, formerly a member of the Kansas City Board of Trade, and associated with the Equity Union Grain Company here, died suddenly at his home in Norfolk, Neb., following a stroke of apoplexy. Mr. Smith had been in the grain business in Norfolk for the last few years.

* * *

The increase in wheat and other grain crops in the Southwest has made itself felt in creating record deposits for Kansas City banks. During the early part of September, the Commerce Trust Company's deposits passed the \$100,000,000 mark, according to the president, W. S. McLucas, which is a record never equaled by Kansas City's largest bank. Other Kansas City banks have broken previous records.

CINCINNATI
HARRY A. KENNY CORRESPONDENT

ACTIVITY in the grain and hay market in this district during the past month was at a low ebb. Demand was exceedingly light and the same was true of receipts. Prices have been guided by the speculative market. Commission houses reported business below the average for September of last year. The impression prevails here that there will not be much in existing conditions until after the presidential election.

* * *

Dominick J. Schuh, executive-secretary of the Cincinnati Grain and Hay Exchange, is spending a vacation with relatives at Dayton and Toledo, Ohio.

* * *

The Board of Directors of the Cincinnati Grain and Hay Exchange, through its Executive-Secretary D. J. Schuh, extends its hearty thanks and sincere appreciation to all those who, through their attendance and participation in the proceedings, contributed to the interest and success of the Grain Dealers National Association convention, recently held in this city.

* * *

D. W. Hopkins of the Mutual Commission Company was in Columbus, Ohio, for several days last month on business for his company.

* * *

Walter O'Connell of the Cincinnati Grain & Milling Company, caused a sensation in the trade by his stellar playing with the Chicago Mill & Lumber Company's baseball team, which won the championship of Greater Cincinnati.

* * *

Edward Linden, manager of the feed department of the Early & Daniel Company, is motoring through Ohio on a three weeks' vacation.

* * *

John C. Raible, 52 years old, a member of the firm of Eckhardt & Raible, wholesale flour dealers, died October 5, at his home in Northside of heart disease. Mr. Raible was well known in business circles in and around Cincinnati. He was a member of the Cincinnati Grain and Hay Exchange and the Cincinnati Chamber of Commerce. He is survived by his widow and four sisters.

* * *

Frank Maguire of Maguire & Co., is enjoying a month's vacation at Asheville, N. C. During his absence the business is being looked after by Charles Hall, who has been associated with the company for the past four years.

* * *

A petition for a rehearing of the suit of the Baltimore & Ohio Railroad Company against the Cincinnati Grain & Hay Company has been filed in the United States District Court here. The railroad company sought judgment for purported additional freight due

on shipments of hay which were placed on the plug track of the Cincinnati Grain and Hay Exchange and then reconsigned. The petition asserts that the court ruling of determining either the form or substance of a judgment entry would make it necessary to bring before the court the facts concerning the reconsignment or other disposition of the cars. It is therefore asked that that case be reopened.

* * *

The closing of the annual convention of the Grain Dealers National Association was tinged with romance when the marriage of O. Perry Hall, a delegate from Greenville, Ohio, and Miss Ethel B. Hufnagle of Los Angeles, Calif., were married in St. Paul's Cathedral. Following the ceremony Mr. and Mrs. Hall left on a honeymoon trip through the West.

* * *

John DeMolet, president of the DeMolet Grain Company, entertained Cincinnati members of the grain trade with a dinner at the Maketewah Country Club, last month. The occasion was Mr. DeMolet's birthday.

* * *

Stocks of grain in first hands at Cincinnati, October 11, were as follows: wheat, 334,052 bushels; corn, 65,688; oats, 271,355, and rye, 10,823 bushels.

ST. LOUIS
W. F. WALTER CORRESPONDENT

WHEAT values have seen spectacular advances the past month caused principally by the exceptional demand from export sources. The cash article followed the future market in the rapid trend upward when millers began bidding for the better grades of Red wheat and the exporters stepped in and bid up the price on the lower grades. Receipts were good with the biggest portion of the wheat of lower grades but even with heavy receipts of threes and fours the demand could not be satisfied and shipments that ordinarily would have gone begging, and heavily discounted, brought good prices from elevators. Mills felt that the better grades of Soft wheat were good property and invested heavily. This good demand was increased by heavy flour sales which were covered with the higher class of wheat while it was obtainable. Just a month ago No. 2 Red wheat sold on the St. Louis floor at \$1.42 to \$1.44 which at that time was considered a high figure. On October 6, No. 2 Red brought as high as \$1.63 which was the top paid thus far on the crop and cash men advise that it was surprisingly easy to obtain this top notch figure for good wheat. At the present writing wheat has had somewhat of a setback and millers have not been doing such a heavy flour business, with the result that No. 2 Red today sold at easier figures ranging from \$1.55 to \$1.57.

* * *

Very heavy shipments of wheat are being made via the barge line for shipment for export through New Orleans. While export sales have dwindled some there is enough wheat booked to keep shipping operations in full swing for some time to come. Additional barges are operating out of St. Louis to the Gulf and one house alone within the past week has loaded more than 10 barges with approximately 750,000 bushels of wheat, all bound for New Orleans.

* * *

Hay demand cannot be called anywhere near good. To begin with the receipts are of a very poor quality, a great deal of weedy, musty hay being received. Buyers are fairly well filled up on their requirements and have been waiting lower values before buying. This has curtailed the demand and had a bad effect on prices with the result that the shippers have not been able to ship their hay and come out even. As a result the receipts have slowed up the past two weeks. This applies more to the lower grades of hay as the higher grades can always be sold owing to their scarcity. The range on prices on Timothy goes from \$22 to \$25 on No. 1 and \$9 to \$14 on No Grade.

* * *

A month ago millfeeds were begging and local jobbers complained bitterly of a lack of demand. Along with every other grain and grain product commodity bran and midds have had their advances which in itself would help cut the demand as buyers naturally are more friendly to advancing market than to descending figures. Today the demand is fairly good as compared to normal and decidedly better than this time a month back. The manufacturing and consuming trade is coming in for goodly lots and some nice sales have been made. Mills have been fairly well booked on feeds with the jobbing and mixed car trade and at present they are reluctant to sell for more than this month's delivery. On a whole the trade looks a great deal more healthy than it has in some time.

* * *

Corn, which for many months has been spectacular in its fluctuations, and which brought prices so high for the cash article that it was a peace time marvel, has been very steady all through the month just passed. While there have been ups and downs the range was

comparatively small the last two weeks. There is no export business going on in corn; the trade from manufacturing sources has been very poor and the feeders have taken but a small volume, and at the same time the receipts have been liberal. The sole reason given by the trade for corn maintaining a fairly steady level and showing signs of strength is the speculative interests, and not because of actual demand for the cash article, as there exists at present some elevator congestion.

* * *

Receipts of oats are somewhat less than a month ago and the present volume consists mostly of ordinary White oats with very little good No. 2 White oats. This has had the effect of increasing the range between the No. 2 and ordinary No. 3, for instance, on the present market, the good No. 2 is bringing about 1½ cents over the ordinary and the general impression exists that the scarcity of the better grades will gradually widen this range. Shipping demand has fallen off in the past 30 days.

* * *

The Goltra Barges which have long been idle and the subject of national discussion, and which recently were ordered by the Federal courts to be placed in operation, are now carrying large quantities of wheat to New Orleans for export. To date 12 barges have been loaded by the Hall Baker Grain Company, at St. Louis, with approximately 750,000 bushels of wheat for export through the gulf. More barges are being placed in order and will soon be in full operation.

* * *

Frank Foltz, Oklahoma grain dealer, was a visitor on the Merchants' Exchange during the month.

* * *

Henry Mack, hay merchant of St. Louis, underwent an operation for cancer and is getting along very nicely.

* * *

Harry Savage, of Hodson-Davis Grain Company, Kansas City, visited the St. Louis trade.

* * *

Burglars entered the office of the Henry Heinrichs-meyer Feed Company through a rear window and knocked the combination from the company safe. The inner door held fast and the robbers left without any loot.

* * *

The Illinois Central Railroad filed a request for the cancellation on the rate on grain and grain products between St. Louis and Missouri River points and Cairo for delivery to the barge line at Cairo, which was the same rate as in effect to Cairo for shipment by rail beyond, namely 16½ cents on wheat and 16 cents on corn from Omaha with Kansas City one cent less. Upon protest by Omaha and Cairo the Illinois Central agreed to withdraw the request.

* * *

The National Industrial Traffic League, of which Charles Rippin, traffic commissioner of the St. Louis Merchants Exchange, is president, will meet for four days in New York City, November 17 to 20. The first two days will be taken up with executive sessions and the last two days are reserved for the general discussion of very important transportation problems.

* * *

P. P. Connor, one of the oldest members of the Merchants Exchange and long active in the grain trade in St. Louis, has been home ill for the past few weeks.

TOLEDO
S. M. BENDER CORRESPONDENT

THE PAST month has been a very busy one for both grain dealers and millers in this market. A very good demand for flour and feeds and hay has helped to pave the way for a good business. Millers are optimistic about their outlook for the coming year as stocks of flour and mill feeds are low in all quarters and this has made the buying steady rather than the usual spasmodic purchases. The price appears to have but little influence on the general run of buyers and they fail to see the reason for taking on enough stocks for their future as well as present requirements. Wheat and other grains have been moving in good volume and the milling demand has been very active all month. Corn is not as scarce in the country as many dealers thought it was and some stations in the nearby states have several thousand bushels still on hand. The new crop, of course, is not very promising and since some farmers have begun to cut some of their corn they find it not near as good even as they figured. It is soft and the fodder is still green in many fields. Those having old corn are going to hold it. The acreage of wheat may be reduced because the corn is so late in ripening that they cannot get it out of the way in time for wheat seeding. Oats is the wonder crop around this section and the most of it runs from 36 to 42 pounds to the bushel.

* * *

E. L. Southworth, senior member of the firm bearing his name, and Henry Devore, senior member of that company, were elected to a life membership

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in the Toledo Produce Exchange recently. The applications of Chris Wessendorf of H. W. Devore & Co. and Charles Keilholtz of Southworth & Co. for membership in the Exchange were posted to supplant those of the older members.

Toledo seed grades, other than Prime, covering Clover, Alsike and Timothy are as follows:

Choice Seed: To be bright in color, dry, sound, plump, well cleaned, and containing very few foreign seeds, and of uniform quality.

No. 2 Seed: To be merchantable seed, but too badly mixed with dirt, brown or foreign seed, or in other respects not good enough for Prime.

No. 3 Seed: To be merchantable seed, to include very brown, shrunken or dirty seed, and too badly mixed with foreign seed to be No. 2.

No. 4 Seed: To include all seed very dirty and so badly mixed with foreign seed as to render it unfit for No. 3.

Sample: Covers all seeds between No. 4 and tailings. Prime grades are all subject to purity test in the Commercial Seed Laboratory before being passed for Prime.

Grain in store in Toledo at the end of last week was as follows: Wheat, 1,865,035 bushels; year ago, 1,927,840 bushels. Corn in store, 30,600 bushels; year ago, 29,360 bushels. Oats in store, 804,322 bushels; year ago, 877,453 bushels. Rye in store, 23,824 bushels; year ago, 30,389 bushels.

Recent visitors to the Exchange floor or offices of the grain and milling firms were: L. M. King, of the Northrup-King Company, Milwaukee; W. J. Johnson, grain dealer of Napoleon, Ohio; Sam Rice, Metamora, Ohio; John Rupp, Elmira Elevator Company, Elmira, Ohio; the Lt.-Governor of Ohio; Edgar Thierwechter, miller of Oak Harbor, Ohio; M. J. Daugherty, our broker of Nashville, Tenn.; G. W. MacDonald, broker of Boston, Mass.; and Charles Kieser, Kasco Mills, Inc., Waverly, N. Y., and Toledo.

Kenton D. Keilholtz of Southworth & Co. and John C. Husted, of the C. A. King & Co. were recent visitors on the Chicago Board of Trade.

Millers' reports to the various grain dealers say farmers are not selling grains to any great extent just now. The business of cutting corn and seeding wheat is now engaging their serious attention. Old corn is said to be about all cleaned up and what is left will be kept for seed next spring.

Field seeds have been the feature of the Toledo market the past month, advancing several dollars a bushel for Clover seed and without hardly any recession. Bulls were favored with rains in the Clover belt at the time when the seed needed dry weather. The buying power by investors and dealers was too strong for and bear to stand up under. Some reaction lately has given an opportunity for the stand-patters to think long and well. The big question is whether the price now discounts the damage done and the reported smaller acreage or does it just represent the beginning of the upward trend. The opinions are divided of course and hence the reason for a lively market. Reports from correspondents abroad say their Clover crop will be short this year and stocks of old Clover are pretty well cleaned up. Such a situation coupled with our own shortage and only fair quality seed should prove a strong factor in the Clover price. Alsike has also shown signs of getting some of the bull fever and is ready to move into higher ground without much urging. The new crop is below the average in quality and quantity and dealers are anticipating a good demand at the discount under Clover. Timothy is rather stagnant as the new crop was large and the seed of very excellent quality. Quite a large amount of the new crop is running to this market and there should be plenty to take care of the fall demand.

Fred Wickenhiser, junior member of the firm of John Wickenhiser & Co., sailed for Europe on the 17th of this month. He will spend some time abroad visiting the battlefields and other places of interest. His trip will include visits to France, England, Germany and Italy and possibly Spain.

Jesse D. Hurlbut, president of the Exchange, is back at his desk in the Toledo Grain & Milling Company after several weeks absence due to a very serious illness.

The branch of the Grain Marketing Company, located here, has taken offices on the eighth floor of the Second National Bank Building just below the Exchange floor.

Lester Howard, of the C. A. King & Co., had a birthday on September 16 and found his many friends on the floor more than ready to help him celebrate. In fact they made it rather hot for him by laying him out on the cash grain table and each one taking several good whacks at him with a canoe paddle from the Southworth & Co. office. He is now able to walk again though still carrying many scars of the anniversary.

Ohio farmers will suffer a loss this year of nearly \$16,000,000 due to smaller crop yields, according to state agricultural statistician. It is estimated the value of wheat, corn, oats and hay alone will be

about \$15,000,000 less than last year. Production of corn this year is estimated at 90,500,000 bushels with a value estimated at \$100,455,000. The wheat crop is estimated at 37,000,000 bushels valued at \$45,140,000. The estimated oats crop of 58,000,000 bushels is valued at \$29,000,000 and 4,400,000 tons of hay will add \$57,200,000 to the total.

The twenty-eighth annual convention of the Grain Dealers National Association attracted many Toledo dealers and their wives among whom were the following: Fred Mayer and Bill Cummings of J. F. Zahm & Co., Harry Devore of H. W. Devore & Co., Louis Schuster of the Raymond P. Lipe Company, Wallace Applegate of the Mennel Milling Company, and Kent Keilholtz of Southworth & Co.

The National Milling Company and other Toledo mills have broken their flour production and shipping records the past month and are hard pressed to keep pace with their orders which have been coming in at a very gratifying rate.

The national baseball series furnished many a thrill for the grain dealers here as the returns came in over the private wires. Colonel Southworth and other old-timers who are still active enough to be fans, were interested side-liners. Washington was the favorite here and Walter Johnson's comeback was the biggest thrill many have received since they went to the circus and fed peanuts to the animals for the first time.

GRAIN NEWS FROM BOSTON

BY L. C. BREED

Alexander S. MacDonald of A. S. MacDonald Commission Company and Seth Catlin of Catlin Bros. were appointed delegates of the Grain Board to attend the twenty-eighth annual convention of the Grain Dealers' National Association at Cincinnati, Ohio.

Herbert L. Hammond, treasurer of the Charles M. Cox Company, recently returned from a trip of several weeks' duration, to Great Britain and the Continent.

A large party consisting of members of the Chamber of Commerce, recently started on a trip across the continent with a view to giving publicity to New England business interests at various cities which are included in their itinerary for the journey.

An idea of the development and scope of the chain-plan of conducting grain and feed business, is gained by the fact that the Eastern Grain Company, with headquarters at Portland, Maine, has seven branch stores in the State of Maine.

Improvement that recently has become apparent in the transatlantic steamship situation is expected by Boston shipping interests to continue, with the prospect that movement of export tonnage will be relatively brisk during the fall and winter. A substantial movement of foodstuffs to continental Europe, Germany especially, has had a noticeable effect on cargoes from this port. It is being called upon to handle shipments of Canadian grain and flour because of congestion at Montreal. Rates on grain and flour from Boston to Hamburg have advanced, owing to these circumstances. The rate on grain is now quoted at 16 cents and on flour 20 cents.

The Maritime Department of the Chamber is lending its aid to the movement for improving the harbor at Lynn. F. L. Davis, manager, recently made an address before the members of a club of leading business men in that city in which he outlined the activities of the Maritime Department for securing business for New England ports, and the efforts it has made for harbor improvements and to provide additional railroad terminals.

Coarse grains have been ruling irregular with an upward tendency. Feedstuffs are in fair demand and held firm, but with no material advance in view of the advices which indicate that supplies are ample in the West. The undertone in the hay market is a little easier, but top grades show no material change. Hay is now arriving in much better condition, with still some poor stuff offering. Old hay is practically out of the market. Straw is ruling quiet and about steady. Receipts of hay in September, 324 cars; straw, 15 cars.

Among the visitors to the Chamber, outside of New England, during the month of September, were the following: R. L. Groff, Minneapolis, Minn.; L. B. Burdett, Washington, D. C.; James Boyce, Utica, N. Y.; C. E. Gwin, Columbus, Ohio; W. A. Rumsey, Chicago, Ill.; A. L. Goodman, Duluth, Minn.; Stephen Hexter, Chicago, Ill.; E. S. Miller, Omaha, Neb.; R. V. Biddolph, Montreal, Canada.

Receipts of grain at Boston during the month of September were as follows: Wheat, 232,700 bushels; corn, 2,650 bushels; oats, 117,800 bushels; barley, 14,350 bushels; malt, 3,500 bushels; mill feed, 162 tons; cornmeal, 607 barrels; oatmeal, 5,294 cases and 192 sacks.

EXPORT TRADE IN GRAIN*

Let us assume that a New York exporting firm, Eddy-Powers (a fictitious name), and a Kansas City elevator company, Fennelly-Vincent (also a fictitious name), engaged in "fobbing," are making a deal in 40,000 bushels of No. 2 Hard for August loading at Galveston, and that the transaction occurs in June. To simplify our example we will assume that at the moment the trade is put through, the exporter has not sold the wheat abroad and the "fobber" has not as yet purchased it from the country. Under these circumstances the exporter will desire to hedge his purchase by a sale of futures and the "fobber," to be on the safe side, will wish to cover his sale by a purchase of futures. A forward transaction of this kind early in the season is very common because the competitive urge to do business drives exporters and "fobbers" to begin trading in new-crop wheat before harvest.

We have now set out the essential conditions of an everyday occurrence, with the exception of the price to be paid for the grain. How is this price determined? In practice, the price on which the transaction is made is expressed as a premium over a future, usually the current active Chicago option. To carry on our illustration, let us assume that the exporter bids 10 cents over Chicago September, and that the "fobber" accepts his offer. The method of trading is shown by the following telegrams which are exchanged between them:

To Fennelly-Vincent:

Bid 10 over Chicago Sept. f. o. b. Galveston forty thousand bushels No. 2 Hard August loading.

(Signed) Eddy-Powers.

To Eddy-Powers:

Accept your bid 10 over Chicago Sept. f. o. b. Galveston forty thousand No. 2 Hard August loading. Give Bryan the Sept.

(Signed) Fennelly-Vincent.

In the preceding telegram "Bryan" represents the Chicago commission firm through which the "fobber" places his futures orders. This telegram will be immediately followed by a telegram to Bryan, reading:

To Bryan Commission Co.

Take forty Sept. wheat from Eddy-Powers.

(Signed) Fennelly-Vincent.

The exporter, on receiving the "fobber's" acceptance, will immediately wire the Chicago commission firm that handles his futures trades, which we will call Logan Commission Co., the following telegram:

To Logan Commission Co.

Give Bryan forty Sept. wheat account Fennelly-Vincent.

(Signed) Eddy-Powers.

When the commission firms have executed these orders they will report by wire, each to his principal, as follows:

To Fennelly-Vincent:

Received from Logan forty Sept. wheat one dollar.

(Signed) Bryan Commission Co.

To Eddy-Powers:

Gave Bryan forty Sept. wheat one dollar.

(Signed) Logan Commission Co.

The September price stated in these telegrams is the price at which the option has changed hands. This is determined by the current quotation at the time the trade is made. The figure here given is, of course, assumed merely for the purpose of illustrating the method of trading. In actual practice, telegraphing would usually be unnecessary, since the leading Chicago brokers have branch offices in the principal outside markets. Also, the exporter and the "fobber" might happen to employ the same brokerage firm.

It will be noted that the trade in futures—the purchase of September futures from the exporter (the buyer of the cash wheat) by the "fobber" (the seller of the cash wheat)—has accomplished two things: (1) It has established a fixed price for the cash wheat changing hands, and (2) it has brought about a hedge sale by the exporter and a hedge purchase by the "fobber."

The price of the cash wheat is \$1.10 because the option changed hands at \$1 and the original bargain called for a price 10 cents above the option

*The results of a survey by the Department of Commerce on the methods and possibilities of shipping grain abroad. Continued from page 117, August AMERICAN GRAIN TRADE.

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for No. 2 Hard, delivered f.o.b. vessel at Galveston in August.

So far, we have indicated merely the method or mechanics of trading. What are the reasons for and the results of doing business in this way?

In the first place, the exporter in our example has bought cash wheat before making a sale abroad, and the "fobber" has sold cash wheat before buying it in the country. Such a situation is not unusual, because exporters anticipate importers' requirements and "fobbers" carry stocks in anticipation of exporters' orders. Both must look ahead if they are to get a fair amount of business.

Secondly, the bargaining for cash wheat has been carried on upon the basis of a price bearing a certain relation to given option instead of upon the basis of an absolute price, and the exporter and the "fobber" have hedged their open trades in cash grain by equal and opposite trades in futures.

The exporter has bought 40,000 bushels of No. 2 Hard at \$1.10 f.o.b. vessel Galveston and sold Chicago September at \$1, with the result that he is protected against a decline in the market so long as cash wheat in this position and futures maintain this relationship. For if the market level declines, the profit in his futures will cover the loss in his cash wheat. On the other hand, if the spread widens to 12 cents a bushel, he stands to make 2 cents through his hedge, but will lose 2 cents if it narrows to 8 cents.

The "fobber" has sold 40,000 No. 2 Hard at \$1.10 f.o.b. vessel Galveston and bought Chicago September at \$1. Hence, he is protected against an advance in the market level so long as cash and futures prices remain in this relative position, for a loss due to an advance in cash wheat will be offset by a corresponding profit in his options. Yet, if cash prices advance without a corresponding advance in futures, he will lose; or, if futures advance and cash prices do not, his hedge will afford a profit.

In other words, hedging has afforded both the exporter and the "fobber" (merchandisers of actual wheat) a certain measure of protection against changes in the basic market level, a degree of protection considered of great value, but the chance of a loss or profit due to a change in the relation of cash prices to futures remains. Their original bargain was struck in the way described in order to facilitate hedging, and also because it is much easier to forecast the relation that the price of cash wheat in a certain position will bear to a given option than to predict absolute values. That is, a dealer, in the light of his experience and knowledge of market conditions, feels that he can ordinarily forecast with some certainty the premium over Chicago September, for export wheat at the Gulf, while he knows that he cannot predict with any approach to accuracy changes in absolute prices or changes in the general market level for even a month or a week ahead. For instance, when the United States has a fairly large exportable surplus of Hard Winter wheat, the premium for No. 2 f.o.b. vessel at the Gulf is very likely to be between 8 and 12 cents a bushel for August-September loadings, but the absolute price may be \$1, or \$1.50, or any other figure.

Trading in the manner we have outlined tends to reduce "price interest"; that is, the exporter selling abroad, or the "fobber" selling to the exporter cares little whether the market is high or low, for his chief concern is with the relation, present and prospective, of the cash market to the futures market. As has already been intimated, however, their relationship, although relatively constant as compared to the rise and fall of the general market level from time to time, nevertheless is subject to change, and the changes that occur reduce the effectiveness of hedging and leave plenty of room for the exercise of individual judgment on the part of the grain dealer. Certain factors that increase the difficulty of determining in advance the relationship of cash prices to futures that readily come to mind are as follows: When an exporter, for example, considers a purchase of

cash wheat he has in view a particular lot of a certain class and grade in a certain position. The price of this lot in that position is subject to local influences. But prices in the futures market in which he hedges represent more nearly what may be called wheat as a whole, with full allowance for all the factors, present and prospective, that may affect the various classes and grades of wheat deliverable on futures contracts. To estimate cor-

rectly the effect of local conditions on a cash price, as compared with the effect of world conditions on the price of an option, is not an easy matter. Generally speaking, hedges covering major transactions in grain are placed in the Chicago market while cash wheat is secured largely from outside markets, and the different forces that act upon prices in the one or the other bring about frequent changes in their price relationship.

Forty-Third Year

Weighmen vs. Good Scales

Some Pertinent Advice as to the Proper Way to Treat Scales and Scale Equipment for the Best Weighing Results

By W. C. THOMPSON*

IT HAS been said that good weights may be obtained over a poor scale on a good foundation.

This is predicated upon two major suppositions: First, that the operator of such a machine is careful, intelligent and scrupulously painstaking in his work; and second, that either he or someone for him keeps the machine in a clean and well-maintained condition. It must be freed from dirt, rust and the parts must be kept reasonably well in place.

As a corollary, the statement might be offered that a good scale, on a good foundation is no assurance that accurate weights in its operation will result. This, I believe to be evident to all; for unless we have a combination of the two personal elements that are supremely essential, good scales on good foundations will not be productive of good results. These two elements might be stated as the personality of the operator, and that he must be in love with his job. It is fundamentally necessary that the person doing the weighing be alive to the necessities, duties and obligations lying upon him as the weigher: that wholehearted interest in the employment be given, or results will not be the best.

In weighing we have to deal with two elements, one personal and the other mechanical. This paper is predicated upon the supposition that the mechanical element is fairly well perfect, or in other words it is a good and sufficient scale for the service in which it is to be used. We must deal with the other side of the subject, and in connection with that, we wish to make a few observations that have come to us in the service through the past years.

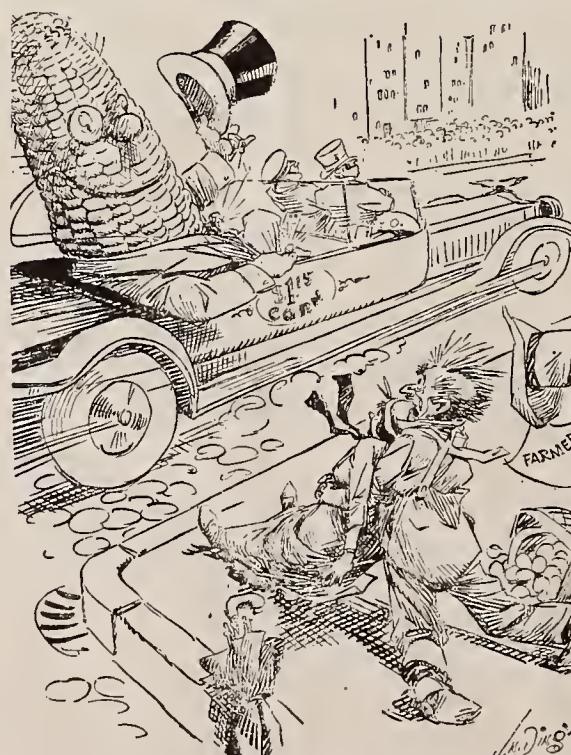
If the operator should be indifferent to the following conditions:

1—Dirt in the scale pit, in the scale bearings, around the pivots and on the levers;

2—If there should be a repeated failure to daily

*From an address delivered at a recent meeting of the National Scale Men's Association in Minneapolis. W. C. Thompson is a scale inspector for the state of Minnesota.

MR. CORN SURPRISES HIS FRIENDS



By Courtesy of the Des Moines Register.

examine the scale and all of the facilities, in the case of grain hopper scales, attendant upon the delivery of the grain to the scales;

3—If the beam is yanked sideways in the printing of the ticket or for other reasons;

4—If buckets from the belt stick, strings or other obstructions accumulate in the garners;

5—If garner slides and garners should not be kept free from leaks;

6—Lax methods employed in the operation of the scale, in balancing the beam and in the other essential elements of weighing;

7—If there is a sustained and a repeated failure to balance the beam, daily or at every opportunity, during the day;

8—If the operator should permit the snubbing of cars on the track scale by the use of sticks or a violent bumping of cars off of the scale;

9—If, as on one occasion reported, weighing is done with the scale out of balance, due to instructions from superior officers of the owning concern, not to touch anything mechanical about the scale; other than to merely operate the beam and poise, good weights will not be the result.

Then, regardless of how fine the installation may be, how adequate the foundation and scale, good weights from such a machine will not be regularly obtained.

Analyzing some of the foregoing that are found occasionally: If a daily examination of receiving pits is not made to see that they are clearing or daily examinations of garners are not made, and elevator buckets, stocks or strings, coming up with the load cover or partly cover one or more of the discharge openings, thereby withholding a part of the load, faulty weights result. The car immediately being handled does not receive full credit for all of the grain it should. In such a case, it may happen that these obstructions are removed in the natural course of handling the next car, consequently that car would receive more credit than it should because there would have been weighed with it the grain that was held up from the preceding car.

If the garner slide is leaking or if there has been a hole worn through the bottom of the garner, allowed to go unnoticed through a failure of the daily examination, then inaccurate weights are the result because, while the contents of one car are being weighed, the garner is supposed to be closed and tight, the next car is being received into it. Consequently during the out-flow of grain from the hopper, there is also an in-flow into it from the car, which has not yet had its weight taken.

In one instance, a scale was found a little over 1,000 pounds out of balance. True, that it was against the scale owner, but it might just as well have been against the shipper. This out of balance condition was due to the positive instructions from the owner to the person doing the weighing, not to move anything except the poise; that the other mechanical parts of the scale would be taken care of by the owner's other agents. This was developed when the operator was asked if it was not known that the scale was out of balance and the reply came very straightforwardly "Why, yes, of course, but my instructions are not to touch anything except to move the poise out to do the weighing."

In the snubbing of cars on track scales as in the violent bumping of cars off of a scale by roughly

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ASSOCIATIONS

TERMINAL WEIGHMasters HOLD SEVENTH ANNUAL MEETING

The Terminal Grain Weighmasters National Association was convened by President J. A. Schmitz, at the Hotel Gibson, Cincinnati, Ohio, on September 22. After Mr. Schmitz, weighmaster of the Chicago Board of Trade, had made his opening remarks as presiding officer at this, the seventh annual meeting, a letter from a field employee of a terminal weighing department, on "Weighing and Tallying Grain" was read. This will appear in full in a later issue.

The reading of papers prepared for the meeting then followed in regular order. The attendance was larger than might have been expected, and the arrangements assured a beneficial session for all the members present. The fact that the annual convention of the Grain Dealers National Association was in session at the same time in the same building made an exchange of ideas and co-ordination of related business possible in the two organizations.

There was a brief discussion of the letter from the field employee by those in attendance and following this, Louis T. Sayre, general elevator superintendent of the Grain Marketing Company, spoke to those present on "Why Terminal Elevator Men Want Efficient Weighing Supervision." He said toward the end of his discourse:

"Any market lacking an efficient weighing department, if not in bad repute, is at least dangerously close to being so. Terminals boasting efficient weighing departments have been so accustomed to having their weights unquestioned that all complaints coming to them are immediately turned over to the weighing department for investigation, and the elevator operator always abides by the weighing department's findings. He knows from past experience that when a weighing department issues a certificate it is almost a moral certainty that such certificate is correct, and if, as in rare cases, there happens to be a mistake, the weighing department will immediately see to it that the error is rectified."

"Some of our largest terminal weighing departments supervise the car from the time it reaches the outer yards, where they examine it carefully as to conditions, seals, etc., and when it arrives at the elevator not only do they supervise the unloading, but they examine the car after it is unloaded to be sure that it is thoroughly cleaned out, and they have developed this system to such a fine point that rarely does an empty car contain more than from five to eight pounds of grain after it is unloaded, and this amount is so small that for all practical purposes you can say positively that the car has been cleaned of all grain."

Bert Dow, president of the Davenport Elevator Company, Davenport, Iowa, then read a paper on "Terminal Grain Weighing Supervision and Terminal Settlement Weights: What They Should Be, as Viewed by a Shipper of Grain." This address will be published in full in a later issue.

The next to address the meeting was C. E. Graves, of Weston, Ill., president of the Illinois Grain Dealers Association. He enlarged further on the same subject as had Mr. Dow. In concluding his remarks, he said: "I feel that the weighmasters of our terminal markets are as conscientious as any other body of men in the grain trade. Taking everything into consideration, I always feel that terminal weighmasters are entitled to praise rather than criticism."

C. F. Hawkinson, of the Chicago Board of Trade weighing department, gave a demonstration of a balance indicating device, using for illustrating a specially prepared sketch.

The Committee on Uniform Methods of Inspecting Cars and Recording and Reporting Leakage Evidence, consisting of Clay Johnson, Peoria, Ill., H. A. Juneau, Superior, Wis., and P. P. Quist, Minneapolis, Minn., recommended that the subject assigned to them be left to each individual department instead of being adopted by the organization. However, they said, "standard weight supervision" should include inspection as to condition, of every car before being unloaded and every car before and after being loaded, by authorized employees of the terminal weighing department.

The special committee on dust collecting devices consisted of J. A. Schmitz (chairman), Chicago, A. E. Schuyler, Chicago, and M. H. Ladd, Milwaukee. After recording their conclusions, the committee ended their report by saying that they felt that as no definite concrete conclusions had been reached and agreed upon by everybody concerned, it was probable that at some future time the matter

would come up again. The committee was made a standing committee with authority to hold conferences and investigate.

The Committee on Constitution and By-Laws submitted a draft and after some changes the report was adopted as amended. The name of the organization is changed from the "Weighmasters' Scalemen's Conference" to the "Terminal Grain Weighmasters' National Association." Those engaged directly in the actual supervision of weighing grain at terminal markets and scalemen that supervise grain weighing scales, and who are employed by state, board of trade, chamber of commerce, grain exchange, or any other grain weighing department organized for the purpose of impartial weights, or members of carriers' weighing departments, reporting to state grain dealers' associations, or state grain weighing departments, can be direct members.

Associate members will include those engaged in pursuits closely allied to the weighmasters and scalemen, including authorized representatives of grain organizations and railroads; scale inspectors, salesmen and manufacturers; and dealers in elevator equipment. The dues are \$5 per year for direct membership and \$3 for associate members.

The question of Docket No. 9,009 covering the Hopper Scale Specifications as amended, came up and after discussion Henry Goemann, as chairman of the committee appointed by the Grain Dealers National Association on Collaboration of Weighing with the committee of this Association, was asked to bring the matter before the grain association.

The officers elected for the ensuing year were: J. A. Schmitz, president; P. P. Quist, vice-president; and H. W. Ewert, secretary and treasurer.

FEED DEALERS RECOMMEND CHANGES

The United States Feed Dealers Association held its annual meeting at the Hotel Gibson, Cincinnati, Ohio, on September 22. The meeting was concurrent with the annual convention of the National Grain Dealers Association, and the chief accomplishment was the approving of changes proposed in trade rules. These were submitted to the grain meeting in a report by their committee on feed stuffs, and the details of the matter are covered in the report of that meeting which appears elsewhere in this number.

Those who attended the meeting of the executive committee of the feed dealers and acted upon these resolutions the day preceding the annual meeting were: President W. O. Fehling, Philadelphia, Pa.; J. W. Jouno, Milwaukee, Wis., vice-president; L. C. Newsome, Pittsburgh, Pa., vice-president; Max Cohn, Buffalo, N. Y., vice-president; H. G. Bergman, Minneapolis, Minn., vice-president; C. G. Wehmann, Minneapolis, Minn., secretary-treasurer; F. M. Rosencrans, Hammond, Ind.; C. W. Chapin, Chicago; S. Mowat, Detroit, Mich.; H. R. Straus, Chicago; R. Hall, Chicago; and A. J. Gallagher, Minneapolis, Minn.

MASSACHUSETTS DEALERS HOLD FIRST MEETING

On September 10 the Massachusetts Retail Grain Dealers Association convened for the first time, at the Hotel Bancroft, in Worcester, Mass. The meeting proved to be one of unusual enthusiasm and was a decided success from the standpoint of arousing a genuine fraternal spirit.

The new organization aims to establish more close contact between the retail dealers, with reciprocal discussion of mutual problems relating to costs, delivery facilities and their expense, ethical standards, closer connection with college and other organizations for bettering conditions in the state, and other similar activities. The organization intends to conduct a campaign to increase its membership by getting in touch with all retail grain concerns in the territory and soliciting their joining the association.

The officers elected for a one year term included the following: President, William I. Morse, of Prentiss, Brooks & Co., Holyoke, Mass.; and secretary-treasurer, James A. Sturges, of J. A. Sturges & Co., Easthampton, Mass. The seven men who constitute the executive committee are: Sumner Crosby, of Sumner, Crosby & Son, Boston, chairman; G. Stanley Wittemore, of A. W. Wittemore & Co., Worcester; John Shea, Lawrence; Morris Horvitz, of the New Bedford Grain Company, New Bedford; William N. Howard, of D. F. Howard &

RECENT rains in Argentina and Australia have improved conditions of the wheat crops. Good rains during August were beneficial to the wheat crop in parts of South Africa.

ALTHOUGH it is stated in Government reports that the wheat yield in France may equal or exceed that of last year, much of the harvest may be of inferior quality and an increase in the estimated import requirements seems probable.

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Sons, Ware; Milton L. Cushing, of J. Cushing Company, Fitchburg; George Gilmore, of W. K. Gilmore & Sons, Wrentham.

HAY ASSOCIATION ISSUES ANNUAL REPORT

The National Hay Association has during the current month published the full report of the thirty-first annual convention, held at Cedar Point, Ohio, in July, 1924. The volume also contains lists of the association membership, trade rules, arbitration decisions, and a great deal of other valuable information regarding the organization and its affairs.

The book will be found to afford an easy reference on many topics of interest to those in the trade and constitutes a valuable compendium of information which is brought up to date.

At the same time a bulletin has been issued from the office of J. Vining Taylor, secretary-treasurer, calling the attention of the members to the fact that the Association has been successful in carrying out its campaign in reference to the Reconsignment and Diversion Case. The economies involved will mean a great deal to those dealing in hay, and now the officers are working to get lower freight rates by having hay restored to sixth class, 22,000 pounds for a minimum car.

MEETING OF FEED CONTROL OFFICIALS

The Raleigh Hotel, Washington, D. C., has been selected as the place for holding the sixteenth annual meeting of the Association of Feed Control Officials. The meeting will be held October 23 and 24, and among those who are expected to be present and address the meeting are Dr. Harvey W. Wiley, former chief of the Bureau of Chemistry, and Dr. J. O. Halvorson, feed chemist for the North Carolina Department of Agriculture, who will talk on "Mineral Feeds."

E. W. Elmore, president of the American Feed Manufacturers Association, will speak on the relation of the feed manufacturer and the feed control official, and R. W. Chapin, of Chapin & Co., Chicago, will speak on the relative economy of factory mixed and home mixed feeds. Among the other events planned is a meeting of the Executive Committee of the Association. This will be on the night preceding the opening of the general meeting. The night of the 23rd the members will be the guests of the American Feed Manufacturers Association at the theater. Members of the feed industry are being urged by the officers of the association to be present at the conference in Washington.

RECEIPTS AND SHIPMENTS

Following are the receipts and shipments of grain, etc., at the leading terminal markets in the United States for September:

BALTIMORE—Reported by Jas. B. Hessong, secretary of the Chamber of Commerce:

Receipts		Shipments	
1924	1923	1924	1923
Wheat, bus...	2,281,383	819,249	1,575,118
Corn, bus...	34,246	53,530	.....
Oats, bus...	664,057	206,621	290,513
Barley, bus...	428,135	6,280	179,868
Rye, bus...	601,826	24,121	219,794
Malt, bus...	13,203	8,598	13,176
Millfeed, tons	1,030	1,638	.....
Straw, tons...	166	79	.....
Hay, tons...	997	2,801	.....
Flour, bbls...	200,618	153,610	131,404

CAIRO—Reported by M. C. Culp, chief grain inspector and weighmaster of the Board of Trade:

Receipts		Shipments	
1924	1923	1924	1923
Wheat, bus...	622,739	75,275	361,312
Corn, bus...	42,807	52,204	45,899
Oats, bus...	1,092,378	1,432,598	1,075,273
Rye, bus...	5,889	4,143	4,886

CHICAGO—Reported by J. J. Fones, secretary of the Board of Trade:

Receipts		Shipments	
1924	1923	1924	1923
Wheat, bus...	15,056,000	6,201,000	16,269,000
Corn, bus...	10,674,000	7,890,000	4,207,000
Oats, bus...	16,092,000	6,920,000	4,512,000
Barley, bus...	1,748,000	979,000	732,000
Rye, bus...	648,000	228,000	323,000

CINCINNATI—Reported by D. J. Schuh, executive-secretary of the Cincinnati Grain & Hay Exchange:

Receipts		Shipments	
1924	1923	1924	1923
Wheat, bus...	620,200	484,400	371,000
Corn, bus...	413,000	26,600	236,600
Oats, bus...	454,000	438,000	404,000
Barley, bus...	4,200	84,000	.....
Rye, bus...	81,200	81,200	67,200

HAY ASSOCIATION ISSUES ANNUAL REPORT

CLEVELAND—Reported by F. H. Baer, traffic commissioner of the Chamber of Commerce:

Receipts		Shipments	
1924	1923	1924	1923
Wheat, bus...	203,315	187,750	12,734
Corn, bus...	65,715	104,052	50,149
Oats, bus...	33,729	379,400	68,747
Barley, bus...	6,332	6,306	.....
Rye, bus...	3,166	4,120	.....
Hay, tons...	1,702	1,103	.....

DENVER—Reported by C. B. Rader, secretary of the Grain Exchange:

Receipts		Shipments	
1924	1923	1924	1923
Wheat, cars...	530	675	34
Corn, cars...	158	159	88
Oats, cars...	83	144	43
Barley, cars...	239	91	51
Rye, cars...	9	4	1
Hay, cars...	57	81	.....

DETROIT—Reported by C. B. Drouillard, secretary of the Board of Trade:

Receipts		Shipments	
1924	1923	1924	1923
Wheat, bus...	363,000	.....	5,000
Corn, bus...	60,000	.....	4,000
Oats, bus...	441,000	.....	28,000
Barley, bus...	4,000	.....	.....
Rye, bus...	42,000	.....	.....

DULUTH—Reported by Chas. F. MacDonald, secretary of the Board of Trade:

Receipts		Shipments	
1924	1923	1924	1923
Wheat, bus...	16,513,160	8,818,782	9,904,306
Corn, bus...	153,841	3,848	331,000
Oats, bus...	9,411,816	529,393	2,796,718
Barley, bus...	5,498,027	1,563,259	4,366,904
Rye, bus...	11,228,437	3,097,783	10,611,191
Flax Seed, bus	1,727,806	1,272,150	1,018,730
Flour, bbls...	726,635	990,805	882,565

FORT WILLIAM, ONT.—Reported by E. A. Ursell, statistician of the Board of Grain Commissioners:

Receipts		Shipments	
1924	1923	1924	1923
Wheat, bus...	7,077,057	28,317,633	8,805,224
Corn, bus...	1,568	4,422	1,568
Oats, bus...	1,207,819	1,567,202	3,170,079
Barley, bus...	3,015,050	2,787,077	1,981,119
Rye, bus...	1,576,041	1,340,753	1,837,362
Flax Seed, bus	10,761	140,309	24,441

INDIANAPOLIS—Reported by Wm. H. Howard, secretary of the Board of Trade:

Receipts		Shipments	
1924	1923	1924	1923

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Financial NEWS

BURROUGHS ADDING MACHINE EARNINGS

The statement of the domestic and Canadian companies for the eight months ended August 31, last, and the foreign companies for the three months ended March 31 gives net profits of \$2,960,675 after depreciation and Federal taxes. Sales of machines in 1923 amounted to \$28,404,508, and net profits were \$4,443,927.

DIESEL ENGINE CONTROL CHANGES

Controlling interest in the Diesel Gas Engine Works of Cologne, Germany, has been acquired by the Superior Gas Engine Company of Springfield, Ill., according to word received from F. J. Shouvlis, president of the local company. In addition this company also purchased the property of the Otto Engine Works of Philadelphia. The deal is said to have involved several millions of dollars.

Under the merger the Superior Gas Engine Company will acquire all rights for the manufacture and sale of the Diesel engines in the United States, Canada and all insular possessions.

CANADIAN GOLD PRODUCTION

Gold production in Canada has passed the 1,000,000 ounce mark for the second time since 1900. The incident is recorded in the report of the Dominion Bureau of Statistics, covering the year 1923 when the output totaled 1,243,341 ounces, valued at \$25,702,139. Ontario accounted for 90 per cent of the Dominion's gold production. Its output amounted to 981,704 ounces, with a value of \$20,293,621. The Yukon, which formerly produced the bulk of Canada's gold, was third with an output of 60,144 ounces, valued at \$1,243,387. It was followed by Quebec, with a production of 667 ounces, worth \$13,788.

PITTSBURGH MINES AT 51 PER CENT CAPACITY

Coal mines in this district are operating at 51 per cent of capacity for the first time since March 15. Strong demand for domestic and some pick up in the buying by industrial users has speeded up production. Prices, however, on large coal are not high and those on the steam product are low. It makes the mine run realization small and compels producers to work on a very thin margin. In many instances losses are recorded. Panhandle steam slack is selling for 95 cents a ton. Many operations have resumed production and there is more optimism displayed over the general pick up in industrial activity.

RESERVE BANKS GAIN

The consolidated statement of condition of Federal Reserve banks on October 8, made public by the Federal Reserve Board, shows increases of \$37,100,000 in holdings of acceptances purchased in open market and of \$5,300,000 in Government securities, together with a decrease of \$400,000 in holdings of discounted bills. Total earning assets rose to \$1,024,800,000, or \$41,800,000 above the total reported a week ago. Federal Reserve note circulation increased by \$12,500,000, total deposits by \$41,500,000 and cash reserves by \$600,000.

An addition of \$21,100,000 to holdings of discounted bills is reported by the Federal Reserve Bank of New York, the remaining Reserve banks reporting declines aggregating \$21,400,000. Holdings of paper secured by United States Government obligations went up by \$5,700,000, to \$110,400,000. All Federal Reserve banks show larger

holdings of acceptances purchased in open market except Richmond, which holds none of this class of bills.

Of the total increase of \$37,100,000 in acceptance holdings \$19,600,000 represents the increase at the New York Reserve bank.

WABASH PLANS MORTGAGE

Wabash Railway executives have under consideration plans for a blanket mortgage which would provide funds for additions and betterment to the property, and will seek authorization from the company's stockholders for it in the near future. The proposal is not yet complete, it is understood, but preliminary drafts of notifications to the stockholders have been prepared. Authorization of the blanket mortgage will not, it is said, be immediately followed by the sale of bonds. Its size is not yet known, but it will probably be limited to three times the amount of the company's outstanding capital stock. Reports of the proposed new merger gave rise to renewed speculation as to the chance of payment of dividends on the company's preferred "A" stock.

FORD MOTOR PRODUCTION HOLDS PACE

In spite of the fact that during the summer the Ford Motor Company has been working on a five-day weekly schedule, it will close the first nine months of the current year with an output of cars and trucks in domestic plants of about 18,000 units greater than during the corresponding period of 1923. Observers of the company's activities declare that with any appreciable gain during the fourth quarter over the current output rate that total production for 1924 may equal the record of 1,915,485 domestic units attained in 1923.

Actual domestic output for eight months through August was 1,263,024 against 1,233,684 in first eight months of 1923 and with a schedule of 153,000 cars and trucks for September the indicated nine months 1924 total is 1,416,024 against a total of 1,398,432 for the first nine months of 1923.

UTILITY COMBINE IS APPROVED

The Public Service Commission has issued an order authorizing the merger of 14 utilities of northern Indiana with the Calumet Gas & Electric Company, an Insull owned property. The order established the value of the properties on the reconstruction theory as of 1923 prices at \$8,568,429, but it specially states that this value is not to be regarded a find of the commission as the basis for rate making.

Companies included in the merger are the Elkhart Gas & Fuel Company, Knox Electric Light & Power Company, Monterey Light & Power Company, North Judson Electric Company, Plymouth Electric Light & Power Company, Lagrange County Light & Power Company, Valparaiso Lighting Company, Consumers Electric Company, De Motte Utilities Company, Hanna Light & Power Company, Kankakee Valley Electric Company, Kingsbury Light & Power Company, Union Electric Company and Wanatah-La Crosse Electric Company.

RADIO OUTPUT REPORTED

First official information as to the output of the rapidly growing infant radio industry was made public by the Census Bureau, showing the value of radio apparatus and tubes to have aggregated \$48,032,927 last year.

The biennial census of manufacturers for 1923

discloses radio apparatus valued at \$43,460,676 was manufactured. That included 414,588 tube receiving sets valued at \$12,065,992, 116,497 crystal receiving sets valued at \$550,291, 1073 transmitting sets valued at \$900,230, 1,889,614 head sets valued at \$5,352,441 and 508,001 loud speakers valued at \$5,620,961. Also included were 1,700,024 transformers valued at \$3,773,213, 1,089,721 rheostats valued at \$716,774, and 355,161 lightning arresters valued at \$196,534.

Radio tubes manufactured for sales as such, a part of which were sold to manufacturers to complete receiving sets and the value of which therefore is included also in the value of receiving sets, numbered 2,601,575 and were valued at \$4,572,251.

CORPORATION EARNINGS

International Nickel

The International Company has benefitted materially from the current advance in the nickel prices, the quarter just finished being one of the most prosperous in recent years, it is reported. Earnings on the common stock for the three months ended September 30, are unofficially estimated to be between 75 cents to \$1 a share. This report compares with 14 cents a share in the previous quarter and 40 cents a share for the fiscal year ended March 31, 1924.

National Biscuit

It is thought in financial circles that the National Biscuit Company will probably increase its dividend to a \$4 annual basis or declare an extra disbursement. The directors may postpone dividend action until the end of the year, according to the current rumor. Preliminary reports place the 1924 earnings at \$13,000,000, or \$6 a share on the common stock, as compared with \$12,092,825, or \$5.05 a share in 1923. These earnings would equal twice the dividend requirements after charges. The 1924 budget is reported to have provided for \$2,250,000 expenditures for new bakeries. New plants in Boston, Cleveland and Cincinnati are said to be included in next year's program.

Chesapeake & Ohio

The Chesapeake & Ohio's earnings, both gross and net thus far this year, have established new high records for all time. On this basis annual earnings are being estimated at \$16 a share in comparison with \$12.47 a share last year and \$7.37 in 1922.

American Tobacco

The American Tobacco is believed in banking quarters to have merely started the readjustment in financial structure by the reduction in the par value of the common stock. The large amount of B common stock held in the company's treasury has given rise to talk of further issues.

Great Northern

Great Northern is practically equaling its 1923 record. The nine months net income of \$6,000,000, or \$2.41 a share, closely approximates the \$6,082,084, or \$2.44 a share, reported for the corresponding period last year.

MARKET OPINION

Hornblower & Weeks

A rally is due and you may rest assured that the longer it is deferred, the sharper it will be, especially in the leaders.

Clement Curtis & Co.

We suggest only a trading position until market breaks limits of its present area.

Babcock, Rushton & Co.

Official offering, probably this week, of the German loan, we believe will find principal reflection in the metal shares, which are in for another swing, providing of course, that there is a response in the price of copper.

Stein, Alstrin & Co.

We expect this rally to go further. We would utilize it for the purpose of reducing holdings of long stock.

James E. Bennett & Co.

We still feel that long stocks of the speculative class should be sold on any rallies and commitments confined to sound investment stocks. A liquidated position is the safest course to follow pending the clearing up of political uncertainties.

HAY, STRAW AND FEED

HAY INSPECTION IN VIRGINIA

Provision has been made for the establishment of joint State-Federal hay inspection in Virginia, according to an agreement made between the Bureau of Agricultural Economics and the United States Department of Agriculture and the Virginia Department of Agriculture, Division of Markets. Nelson A. Loucks has been licensed as a joint State-Federal inspector and will devote himself to the development of shipping point inspection in the Valley of Virginia.

INCREASED RATES NOT JUSTIFIED

Schedules proposing to cancel interstate commodity rates on hay and straw in carloads from points in Illinois, Indiana and Ohio to destinations in Indiana, Illinois, certain Ohio River crossings and Massillon, Ohio, and seeking to apply fifth class rates on such traffic were held not justifiable by the Interstate Commerce Commission.

The schedules would also have effected increases in certain interstate rates on straw between points in Indiana and Illinois.

NEW BOOK ON FEEDS

Feed dealers and manufacturers will be interested in a new book which will be off the press within the next week or so under the title of "Commercial Feeds," by Dr. W. H. Strowd of the Wisconsin Department of Agriculture. Dr. Strowd is a recognized feedingstuffs authority and his book is sure to have much valuable information. Among the subjects he discusses are: "Home Mixed vs. Factory Mixed Feeds"; "The Open Formula"; "Fundamental Principles of Nutrition"; "Composition and Adulteration of the Various By-Products"; and "The Future of the Mixed Feed Business."

"Commercial Feeding" will sell for \$3 and copies may be secured from Dr. Strowd, 2125 Chadbourn Ave., Madison, Wis.

HAY RECEIPTS LIGHTER

In its news letter of October 10, the Samuel Walton Company of Pittsburgh says:

The receipts of all grades of hay are somewhat lighter the past few days. However, the demand is not urgent. It seems that the major portion of the arrivals are of the lower grades with the result that they are hard to move at satisfactory prices. The better grades of Timothy can be disposed of promptly at quotations below. We are also having a better demand for choice No. 1 Heavy Clover mixed hay and No. 1 Clover of good green color. The lower grades are not wanted.

Receipts of straw are somewhat lighter with a little demand and higher prices. Only good, long straw is wanted. Receipts of packing hay have increased somewhat. However, all arrivals are being disposed of promptly. The lower grades are not wanted at any price.

Receipts of oats while not heavy, still continue equal to the light demand with prices about steady.

Receipts of shelled corn are more liberal with the demand not so urgent and lower prices in sympathy with the western market. Receipts of ear corn continue light with a somewhat better demand prevailing and prices firm. Only thoroughly sound, assorted No. 2 Yellow ear corn is wanted.

HAY QUIET IN NEW YORK

BY C. K. TRAFTON

Changes of a strictly important character have been exceedingly limited in the hay market during the month under review. General conditions in the market have been exceedingly unsatisfactory to practically everyone concerned.

While prices have remained about steady or possibly slightly firmer on good to choice grades of Timothy and Light Clover Mixed, receivers generally have manifested great surprise and dissatisfaction, because the demand did not improve greatly and lead to a more buoyant tendency. It was plainly evident that they had been led to anticipate betterment to arrive largely in sympathy with the spectacular advance in wheat, rye and other grains with the exception of corn. But they had discovered with regret that there has been apparently no relationship between grain and hay.

Perhaps this is by no means singular, for the good and sufficient reasons that the big advances in grain were primarily caused by active buying for European account, whereas in the local market there has been only a moderate inquiry for good to fancy descriptions for horses only.

It is conceivable that hay has been held in check by the lower cost of old corn, which has been in

larger receipt, and therefore there was a fairly large increase in the visible supply, causing a reduction in cost.

Moreover, prices for mill feed have also remained essentially unchanged. In the meantime, receipts of superior grades of hay have been light, partly because farmers have been busy and also because they were dissatisfied with the so-called low bids. On the other hand, supplies of common and low grades were abundant, as receipts have been liberal, notably by river boats, and hay of this description has been remarkably difficult to sell, notwithstanding the fact that it has been offered at comparatively low figures.

Choice straight rye No. 1 has been in slightly better demand at firmer prices, but common and inferior grades were in abundant supply and slow of sale.

HAY DEMAND GOOD

The hay demand is more general at this time of the year than any the Kansas City market has experienced in the last five years. Orders for Alfalfa are coming in from all parts of the Southeast, and also from Texas, Arkansas and Louisiana. The indications are that the market supply in hay will be somewhat lighter, as this market can not attract any hay from Idaho, Utah and other Western States, due to lighter supplies and the greater demand in the Pacific Coast territory, caused by dry areas throughout the Pacific Coast section. Timothy is not moving Southeast as yet, from this section, as Ohio and eastern markets, the Central Freight Association markets, are under this market. The Prairie hay demand as yet is very small, but indications are that it will broaden, as Texas should be in the market for Kansas Prairie hay later.

HAY SITUATION IN CALIFORNIA

BY C. T. BOYD

California produced almost 6 per cent of the total hay crop reported in the United States for the past year, the average yield per acre being 70 per cent greater for the entire state than the general average for the whole country. The actual return to the producers in California represented more than 5.8 per cent of the farm value of the total American hay crop, \$73,752,000 being added to the state's wealth from this single source. Improved methods of production and handling, increased farm efficiency, in other words, appears to be the reason for the steadily increasing yield-per-acre and output, despite the slowly decreasing acreage which has been devoted to the crop. This increased yield is not a phenomenon to be credited to 1923. The increase has been steady during the five-year period under discussion and is substantially expressed reward to the men and the communities responsible for it.

The production for the past year, 5,268,000 tons, shows a slight increase over the year 1922, and represents a yield of slightly more than two and one-half tons per acre. This yield is highly satisfactory when compared with the average yield for the entire country. The average yield for the United States, as reported by the Bureau of Agricultural Economics, is approximately 60 per cent of the California yield, or 1.48 tons per acre. This may seem misleading to some, in view of the fact that two to three cuttings of Alfalfa are made each year in the northern portion of the state and from five to six cuttings in the southern parts, and that these cuttings closely approximate a ton to the acre. It must be borne in mind, however, that the figures here discussed are for "tame hay" and include all hays which might be classed as tame, which term embraces the "grain hay" crops.

The income to the grower from this "all hay" crop for the year 1923 showed an average of \$14 per ton. In point of purchasing power, the money received by the growers in 1923 was somewhat more than that received in the year 1920. This statement is made upon the assumption that the commodity and cost-of-living figures issued by the Departments of Agriculture and Labor are approximately correct indexes for our guidance.

The outlook for the present year is one of exceedingly higher prices, probably surpassing those of the "peak" year of 1920. In certain respects these higher prices for hay to the consumer this year will reflect themselves later on in the increased prices of certain foods. It is known at this time that a larger number of range cattle are being disposed of than would normally be the case, due to the insufficient food on the ranges and the precautions the cattle men are taking against the day

when their stock will require dry feed, that period just previous to the green feeding following in the wake of the rainy season.

In certain sections where dry farming is carried on the outlook is far from promising. The limited rainfall during the past season, coupled with a somewhat seasonal condition, indicates that 1924 will show the lowest hay production in these sections of the state than for many years past. While the acreage is approximately the same, late reports indicate that the production will undoubtedly be below anything previously known.

In the sections where irrigation is used the tame hay crops are showing up quite well and insofar as the returns on these are concerned the present outlook is one of higher prices than previously recorded. In any event there will be a shortage, of Alfalfa at least. The production within the state will not be sufficient to meet requirements. The Salt River and the Yuma Valleys are being drawn upon already. It is probable that all their surplus will be absorbed by the Los Angeles and markets adjacent thereto. Churchill County, Nevada, another source of supply for the central California counties is cut off at this time, but in all probabilities shipments will be resumed by fall. It is the generally accepted idea that before the year is out we will be drawing upon the very large surplus of the State of Washington in order to meet the requirements of the consumers in this state.

RELATION BETWEEN FEED DEALERS AND FARMERS*

In discussing the question of relations between feed dealers and farmers it is necessary to go back to the relative position of the industries. Farming is a primary industry like mining, hunting, fishing, in that it takes wealth from natural resources. Merchandising is a secondary industry in that it does not take wealth from natural resources, but takes raw materials and adds value to them by processes of combination, transportation, packaging, and making them available. The justification for the feed trade, as such, is the need of the farmers for raw materials which they cannot themselves produce or get. We should never lose sight of the cardinal principle that the feed trade exists in order to serve farmers, rather than farmers exist in order to serve the feed trade.

But immediately following that principle we must recognize as of equal importance that if farmers receive an efficient and necessary service from the feed trade, they must pay a reasonable remuneration for it.

It would be a great mistake to assume that average relations between feed dealers and farmers are strained and unhappy, just as it would be a fallacy to assume that we are physically unfit all the time. A pin prick involves one millionth of the service of the body but we forget that health of the rest of the body when the pin prick occurs. It is worth while to assume average satisfactory relations without much discussion, and to give our time to a study of unsatisfactory relations and the conditions which cause them.

Most of the troubles between feed dealers and farmers come within one or two classes.

a. Services may not be good or prices may not be reasonable, in which case farmers have reason to feel disturbed.

b. Services may be good and prices may be reasonable but farmers feel disturbed because they do not understand the facts in the case: and they are convinced, in spite of the facts, that prices are unreasonable and services are poor.

In order to get a definition of good service, may I outline what would seem to me an ideal condition.

Let us assume a group of farmers large enough to create a volume of business that is a reasonable business unit. Let us assume a retail feed dealer who stocks his store adequately with the commodities which farmers need; he sells this stock wisely and understands its values both from the dollar standpoint and from the feeding standpoint. He also knows his customers, and when they seek his judgment he gives them the benefit of his abilities as to what to buy on given market conditions and how much it is wise to buy. He sells on lower margin, for cash, from the car; he sells on reasonable margin, for cash, from the warehouse. He requires that those who demand credit and delivery pay for these services.

Please don't ask me how many such ideal busi-

*Address given by Dr. J. D. Willard, director of Extension Service, Massachusetts Agricultural College at a recent conference of feed dealers.

nesses exist because I don't know. Most troubles are because of the variance from some one of these elements. Many feed dealers do not stock their stores wisely and it results in dissatisfaction in feeding results. Many feed dealers do not encourage wisdom of buying on the part of their customers and create dissatisfaction by loading men up at the top of the market for the sake of the dealer-profit in the transaction. Far too many dealers charge one and the same price for 100 pounds to be paid for six months or two years hence for 5 tons to be paid when the next milk check comes. Almost no dealer knows the cost of delivery but goes at it blindly.

I look to see changes in the feed trade. Indeed they are occurring now with the shrinkage of agriculture and the replacement of horses by trucks. Some communities cannot afford a good feed store because no man can afford to maintain such a store for the volume of business which the group offers, and it becomes a question of combining the feed business with other merchandising or reducing the store to a one man or at least a part time establishment.

Co-operative buying of feeds never would have developed except for abuses in the retail trade. Co-operative efforts must give better service than what it replaces. This college's attitude is an attempt to encourage understanding between community and dealers. If that can't be developed the college will help form co-operative feed pools.

MILLFEEDS HOLDING STRONG AT KANSAS CITY

Mill feeds continue strong with a good advance of late, bran continuing to occupy the center of the stage. The mill feed market here advanced \$1 a ton October 6. The trading prices were \$25 for October and \$26 for November for wheat bran. As the market absorbed all of the offerings of mill feed at the peak of production, it looks as though the market is due to have some rapid advances in these commodities, it is thought. Gray shorts were selling October 8 at \$32 per ton, with a general demand from the Southeast and Texas. A recent report from authentic sources is quoted to the effect that heavy quantities of Canadian bran have been sold for export to the United Kingdom markets, with good inquiries for considerably more. Business of consequence of this character will have its influence in not only sustaining the domestic markets on mill feeds, but probably will bring about a higher basis of values for deferred shipments.

FEDERAL GRADES SATISFACTORY

In 1922, W. F. Green, hay inspector at the Richmond (Va.) Grain Exchange took the course in Federal hay inspection and early in 1923 was installed as a Federal inspector, one of the first. The members of the Exchange were not fully satisfied by the advantages of Federal grades, and reserved the right to have Mr. Green issue their own certificates, using National Hay Association grades for such members as desired him to do this.

Since the Federal grades were amended this year, the members found them so satisfactory that they decided at a recent meeting to use Federal grades exclusively except for hay for which there are no Federal grades.

In a recent statement the exchange had this to say to dealers:

"Following the example of such markets as New York, Chicago, Cleveland and Birmingham, we have concluded to trade in hay only on Federal grades, except where the grades are not covered, the inspector is instructed to use the National Hay Association grades. We have a duly trained Federal inspector. Load your cars so that hay at doors represents contents, and thus avoid rejections."

FEED SLUGGISH IN NEW YORK

BY C. K. TRAFFON

Conditions in the feed trade during the month under review continued unsatisfactory.

The protracted apathy manifested by nearly all buyers in this territory was rendered particularly singular by the far greater activity in all grains with the exception of corn.

Prices not only for food grains such as wheat and rye have jumped up in spectacular fashion; but also feed grains, such as barley and oats also advanced. These developments were the natural result of uncommonly brisk buying by exporters, which was made necessary for the protracted bad weather almost all over Europe.

Because of these facts, there were also phenomenal advances in hogs and hog products, which was also partly due to the exceedingly high prices current for corn. It was considered peculiar that buyers were continuing to hold back in the feed market. There are many experienced members of the trade who inclined to the opinion that it will become necessary to export larger quantities of mill feed to the continent of Europe, but as yet only small quantities of feed have been contracted for.

In some quarters it was stated in explanation

that one of the reasons for the dullness in wheat feeds in this territory was the fact that farmers had been making almost no contracts in this vicinity, as a result of the bad dairy situation.

It was asserted that farmers in New England and farther West had been doing comparatively better because they were able to secure Canadian bran at approximately \$1 a ton cheaper than quoted for native in this territory.

In the judgment of some sagacious dealers the weaker trend was due in part to the heavier receipts of wheat, and especially in Spring wheat territory, coupled with the much larger demand for flour both for domestic and export account. Obviously this has enabled millers to run mills at or near capacity, and hence the output of feed was materially larger.

It has been exceedingly difficult to sell corn products, as most buyers held back, contending that prices have continued too high. Cottonseed and Linseed meal have been selling slowly, buyers having held off, notwithstanding liberal offerings at slightly lower figures.

There has been more life in the market for beet pulp, as prices were lower for both domestic and imported as offerings for forward shipment were bigger.

A NEW WESTERN FEED PLANT

The general trend of contemporary opinion seems to be that conditions are favorable for the development of increased business in commercial mixed feeds, especially for cattle and poultry. One important factor to be considered is that never before in the history of feeding domestic animals have the poultry raisers and dairymen had it so

plant to poultry, dairy, and livestock feeds.

The company owes its progress largely to the efforts of T. D. Phelps and E. P. Wingate, and the outlook seems very good. The firm has memberships in the Denver Grain Exchange and the Grain Dealers National Association.

WISCONSIN FEED VIOLATORS

Under the Wisconsin feed law, all manufacturers of products intended for feeding to domestic animals, must secure a license. It has become apparent recently that there are some rye millers and jobbers who are selling the mill run of offal from white rye flour for rye low grade flour without license or guaranteed analysis. The sale of this feed as flour is contrary to Federal as well as state laws, and the Department of Agriculture of Wisconsin warns those who are violating the laws of the state that continuance of the above practice will result in prosecution and application for seizure.

HAY STANDARDS HELPER

An examination for hay standards helper will be held throughout the country on November 19. It is to fill vacancies in the Bureau of Agricultural Economics, Department of Agriculture at an entrance salary of \$900 a year. Advancement in pay may be made without change in assignment up to \$1,260 a year.

Applicants must have had at least six months' experience in a laboratory in the preparation and analysis of commercial hay or feed.

The duties of the position are to assist in the hay standardization laboratory in the separation



PLANT OF T. D. PHELPS GRAIN COMPANY, DENVER, COLO.

thoroughly impressed upon them that scientific feeding is a necessity and that rations balanced to insure the proper amount of digestive nutrients are most economical in the long run.

A great many feed manufacturers have taken advantage in the last month of the National Dairy Show, at Milwaukee, to establish closer contacts and present their case more strongly. With these and other factors contributing to the optimistic outlook of the industry, plans are being made in many quarters to take care of the progressive growth which should logically be coming in the not very remote future.

One of the prominent plants in the West for the manufacture and distribution of balanced ration mixed feed is that of the T. D. Phelps Grain Company, with offices in the Cooper Building, Denver, Colo. A photograph of the up-to-date mill maintained by this concern is shown herewith. It has a modern elevator, with a bulk storage of 50,000 bushels in overhead bins.

It is equipped with two legs, having a handling capacity of 2,500 bushels each per hour. There is a No. 11 Invincible Receiving Separator, a dual Marcus Cleaner, and the usual equipment in the line of hopper scales.

The plant has also warehousing facilities for 40 cars of sacked grain. The company has just recently been making a portion of the house into a balanced ration mixed feed plant, this portion measuring 25½ by 65½ feet, with 56 feet to the plate. They have put in three floors in this part of the building, and expect to achieve a capacity of 50 tons of feed every eight hours.

In arranging the construction they are placing the machinery in such a way that another unit can be added, of the same size, as soon as the business warrants it. It is the present intention to confine the output of the newly completed

of hay samples for analysis and to assist in the preparation of display boxes for use in connection with hay standardization and investigational work.

Competitors will be rated on practical questions on the handling of hay and factors which affect its standardization value, and education, training, and experience.

Full information and application blanks may be obtained from the United States Civil Service Commission, Washington, D. C., or the secretary of the board of U. S. civil service examiners at post office or customhouse in any city.

WISCONSIN ISSUES FEED BULLETIN

The Wisconsin State Department of Markets has started a new market service covering farm feed-stuffs. The bulletin is to be issued twice a week for farmers, stockmen and dairymen, giving the price of feeds in carload lots, in various towns of Wisconsin. A zoning system has been worked out making this possible, taking into consideration freight rates and other factors. Market prices are to be obtained from Minneapolis, through co-operation with the Federal Department of Markets.

COTTONSEED INCREASED RATES SUSPENDED

The Interstate Commerce Commission has suspended from July 26 to November 23 proposed schedules for establishing a proportional commodity rate on cottonseed meal, hulls and cake, carloads, from certain points in northeast Arkansas on the St. Louis-San Francisco Railway to Memphis, Tenn., applicable only when destined to points beyond to which no through rates are published.

A similar suspension order applies to increased rates on cottonseed products, carloads, from Fort Worth and other points in Texas to destinations

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in Kansas and Missouri. As an illustration of the latter instance, the present cottonseed rate from Fort Worth to Kansas City is 38½ cents; the proposed (now suspended) rate is 42. Proportionate differences occur in the present and proposed rates between Beaumont, Texas and Kansas City, Mo.

CORN GLUTEN FEED IN RATION

Feeding authorities have made extended inquiries into the value of corn gluten feed, and recommended it most heartily as an excellent addition to the ration. It may be fed, they say, with excellent results to poultry in the dry mash with other feed in the following proportions: 100 pounds of cornmeal, 100 pounds of bran, 100 pounds of white middlings, 100 pounds of ground feed, 100 pounds of corn gluten feed, 100 pounds of meat scrap, 6 pounds of charcoal, and 6 pounds of salt.

RESEARCH LAB. FOR ALFALFA HAY

A research laboratory is to be established at Kansas City by the Department of Agriculture to determine the best varieties of Alfalfa hay for production in certain sections of the country. The effect of climatic conditions on Alfalfa will be given particular study. The work of the laboratory, which will be the only one of its kind outside of Washington, will be patterned after similar research in regard to grains.

F. S. Kellogg, present head of the hay, feed and seed marketing bureau of the Government at Kansas City, will be in charge of the laboratory, assisted by a staff of experts. As soon as all the equipment for the laboratories is received here the office will be opened. The building leased is advantageously located close to the hay tracks of many of the Kansas City railroads.

FEDERAL HAY GRADES AND CANADA

A good deal of correspondence has been exchanged between the Hay, Feed and Seed Section and the Canadian Feed Division, and W. P. White, chief of the Feed Division of the Canadian Department of Agriculture, will attend the hay inspectors' school held at the standardization laboratory to become thoroughly familiar with the work.

Canada has had Dominion grades of hay for some years and some provision for inspection. This work has recently been transferred to its Feed Division and it is understood that that division expects to make considerable change in the present methods. The Canadian Government is showing considerable interest in the hay standardization work and inspection service conducted by the Bureau of Agricultural Economics, at Washington, D. C.

REGULATIONS FOR HAY INSPECTION

The regulations for the inspection of hay promulgated by the Secretary of Agriculture provide for complete, partial, or sample inspection. Application to be made by a state or any person having a financial interest in the hay. Reinspection is provided when requested by interested parties. The regulations cover in detail the technical requirements of each of these functions and the means of handling. When the grade stated in the inspection or reinspection certificate seems improper, appeal may be taken to hay inspectors designated for that purpose by the Department.

Fees and charges for inspection, reinspection, or appeal, are to be fixed by the Secretary, and are to be paid by the applicant in accordance with directions on the fee bill furnished by the hay inspector and in advance if required by the inspector.

In classifying the kinds of inspection the Department has defined "complete inspection" as thorough examination for quality and condition either of each bale of hay in the lot or of a sufficient portion to determine. "Partial inspection" is described as examination of the visible part of a lot of hay under conditions where a complete inspection cannot be made. "Sample inspection" is to be accomplished by examination of a bale or other portion of hay which is represented to be a sample of a larger lot. The portion is to be of sufficient size to permit accurate determination of all factors affecting quality and condition.

The complete information of how the inspections are to be handled is contained in No. 86 of the "Service and Regulatory Announcements" series of the United States Department of Agriculture. Feed dealers and hay handlers who are interested in the ruling may secure copies of the pamphlet upon request from the Department of Agriculture.

MORE FEDERAL HAY INSPECTORS LICENSED

The school for hay inspectors held at the United States Department of Agriculture Hay Standardization Laboratory, in Washington, closed on Saturday, September 6. The following men trained in this school have been licensed as inspectors: F. C. Sturtevant, Maine Bureau of Markets, Augusta, Me.; P. R. Dunn, 801 City Hall Annex, Boston, Mass.; N. A. Loucks, Virginia Division of

Markets, Richmond, Va.; R. B. Etheridge, North Carolina Division of Markets, Raleigh, N. C.; A. J. Opstdal, A. H. Peterson, and O. A. Zillmer, of the Wisconsin Department of Markets.

In addition to these men, Professor C. O. Cromer, of Pennsylvania State College, Professor F. H. Steinmetz, of the University of Minnesota, and J. E. McKeehan, Berwindale, Pa., completed the entire course.

Professor W. H. Darst, of the North Carolina College of Agriculture, Professor E. W. Patterson, Jr., of the Virginia College of Agriculture, Thomas F. Culkeen, of Wm. Culkeen's Sons, Boston, Mass., and W. R. White, chief of the Feed Division, of the Canadian Department of Agriculture, also attended the school for a part of the course in order to familiarize themselves with Federal grades. The hay inspection work in Canada has recently been transferred from the Canadian Grain Board to the Department of Agriculture, and Mr. White attended in order to familiarize himself with the Federal grades and be able to assist in harmonizing them with those of Canada in the future.

sidings at the first billed destination and is subsequently reforwarded, the local rates to and from the point from which the car is reconsigned, plus a charge of \$6.30, shall be assessed. If the car is placed on delivery tracks and not unloaded or accepted it can be reconsigned at the through rate from the point of origin to the final destination plus the reconsignment charge of \$6.30. These provisions apply to all traffic except fruits and vegetables. The contention of the complainant was that the different treatment accorded shipments of fresh fruit and vegetables was unduly prejudicial to hay and straw. In concluding the ruling, the Commissioners said:

"We find that the rules and regulations governing the reconsignment of carload shipments of hay and straw after delivery on private tracks and sidings are not unreasonable or unduly prejudicial in providing for the collection of the published rates to and from the point of reconsignment, but that they are unreasonable in providing for the collection of a reconsignment charge in addition to such rates."

An addition is being built to the feed and flour warehouse of J. W. Sleight at Spooner, Wis.

The flour and feed firm of Martin & Brown at Russellville, Ark., is retiring from business.

The feed business of Rowe & Zachary at Magnolia, Ark., has been bought by J. M. Hudson.

A feed store has been opened at Edgar Springs, Mo., by C. A. Smith. Irving Smith is manager.

William A. and Peter R. Burke have reorganized the Creston Feed & Fuel Company at Portland, Ore.

A new flour and feed warehouse has been completed at Pond Creek, Okla., for the Farmers Grain Company.

A certificate of preliminary dissolution has been filed by the Russellville Flour & Feed Company of Russellville, Ind.

A feed and flour business is to be conducted at Bainbridge, N. Y., for Hovey & Armstrong. The capacity stock is \$40,000.

A new electric feed grinder has been installed by George Nielsen at Ladysmith, Wis. It will be in operation in about a month.

A flour and feed warehouse is to be opened at Austin, Minn., by C. J. Marboe. He was formerly proprietor of the Hormel Mills.

The Jennison Light & Power Company of Fairview, Mont., is erecting a modern Alfalfa meal mill with a capacity of 50 tons a day.

A wholesale and retail feed store has been opened at Kosciusko, Miss., by L. Kennedy. He will handle feeds, flour, and meal.

The Poultry Feed Association of Bellingham, Wash., is contemplating the erection of a big new warehouse and Alfalfa mill there.

A wholesale flour and feed store is to be opened at Harrisville, W. Va., by A. J. Jackson. He has secured a building there for the business.

Carroll Tribault is president of the Service Feed Company, which was recently incorporated at Little Rock, Ark. The firm is capitalized at \$5,000.

Henry L. Pope, James O'Reilly and C. C. Whitley have incorporated at Fort Worth, Texas, as the Wonder Feed Company. The firm is capitalized at \$10,000.

The business and property at Lutz, Barnt & Lutz, Delphos, Ohio, and S. W. Kemp & Son at Spencerville, Ohio, have been bought by the Spencerville Hay Company.

A \$10,000 frame building for a feed mill is being erected by E. R. Sanner, feed and seed dealer at Newton, Kan. He plans to replace it later with a concrete structure.

The feed mill and warehouse of Herbert Westenhaver at North Freedom, Wis., has been bought by Oscar Wagner of Loganville, Wis. He took possession October 1.

A feed mixing plant is being built at Frederick, Md., for the Frederick County Farmers Exchange for the manufacture of a complete line of dairy, horse, poultry and molasses feeds.

The business of the Spradling-McFadden Feed Company at Kennett, Mo., has been bought by McFadden & Co., Inc. F. McFadden and L. S. McFadden are interested as well as L. McFadden.

To deal in feed and materials, the G. W. Blackburn & Co., Inc., was incorporated at Fairfield, Ill. Capital stock is \$25,000. L. A. Blackburn, L. C. Blackburn and B. F. Thomas are interested.

C. O. Nelson, C. O. Pinelt, L. E. Rogers and O. L. Rogers have incorporated at Rhinelander, Wis., as the Badger Flour & Feed Company, capitalized at \$20,000. A wholesale and retail business will be transacted.

The property formerly operated as the United States Feed Mills Company at Kansas City, Mo., has been leased by J. N. Davidson of the Davidson Mill & Elevator Company. Mr. Davidson will overhaul the plant and begin operations soon and will manufacture a complete line of molasses and dairy



and rolled oats, White and Yellow cornmeal; family and bakers' flour, namely, cake, pastry, and hot cake flour, whole wheat, Graham and self-rising flour. Nicholls Grain & Milling Company, Los Angeles, Calif. Filed July 8, 1924. Serial No. 199,758. Published September 30, 1924.

"SUNNY SOUTH" livestock and dairy feeds. Sunny South Grain Company, Birmingham, Ala. Filed August 15, 1924. Serial No. 201,472. Published October 7, 1924.

Not Subject to Opposition

"BARKER'S" poultry mash feeds and scratch feeds. The Barker, Moore & Mein Medicine Company, Philadelphia, Pa. Filed July 30, 1924. Serial No. 200,705. Published September 16, 1924.

Trademarks Registered

189,266. Animal foods, such as meat meal, meat scraps, poultry bone, blood meal, mineral feed, and giester tankage. The Chemical Products Company, Cincinnati, Ohio. Filed April 1, 1924. Serial No. 194,787. Published July 8, 1924. Registered September 16, 1924.

189,892. Horse feed, dairy feed and scratch feed. Security Mills, Knoxville, Tenn. Filed February 13, 1924. Serial No. 192,221. Published July 29, 1924. Registered September 30, 1924.

189,895. Cereal stock and poultry feed and mineralized stock and poultry feed. Fred W. Simpson, Chicago, Ill. Filed May 9, 1924. Serial No. 196,829. Published July 29, 1924. Registered September 30, 1924.

COMMISSION ABOLISHES RECONSIGNING CHARGE

An order has been secured from the Interstate Commerce Commission directing the railroads to desist from collecting any reconsigning charges on hay and straw. The National Hay Association vs. Aberdeen & Rockfish Railway Company, et al., I. C. C. Docket 14762 covers the matter and constitutes a decided victory for the National Association.

Rule 12 of the general reconsignment rules provides that if a car is placed on private tracks or

THE AMERICAN ELEVATOR AND GRAIN TRADE

TRANSPORTATION

REQUEST FOR MORE GULF SHIPS

There has been a persistent effort lately to have the Shipping Board allocate more ships to the Gulf District to take care of the large accumulation of export grain and other commodities now at those ports and which during the last month has increased daily. The maximum of 10 ships which the Emergency Fleet Corporation recently directed to be allocated to the Gulf is not enough. Relief could not be given without an executive order owing to the economy policy of the administration through budget estimates.

OPPOSITION TO GRAIN DIVERSION

Port officials in the North Atlantic area are making a defense against the South Atlantic differential complaint, and protests are being lodged with the Shipping Board against its plans recently announced, to divert grain shipments from interior states through Gulf ports.

New York officials contend that this port is now unable to compete on equal terms with the South and is attracting only a small proportion of grain exports despite considerably lower ocean rates. The port officials charge the Board with favoritism in that no effort is made to increase shipments through New York.

EMBARGO IN NORTHWEST

Early in October an embargo on all shipments of grain to the head of the lakes from all points in the Northwest was recommended. This halted movement of cars loaded with grain to that point. For some time shipments to the local elevators, which have a capacity of about 1,500 cars a day, have run well over that figure, from 400 to 500 cars a day in excess of the amount the elevators could unload. The resulting congestion was unprecedented.

The embargo resulted from a resolution adopted by the Joint Terminal Grain Committee of the Northwest Regional Advisory Board, and was assented to by the railroads.

OCEAN CHARTERS AT HIGH LEVEL

During the last month all previous records in the tramp ship movement have been broken. The total number of vessels placed for the grain movement since the upturn started a month ago is near the 200 mark, with no material abatement in demand.

The high point seems to have been reached when a British ship from the Gulf to Havre-Antwerp was chartered at 21 cents a 100 pounds, and to the United Kingdom at 22 cents.

The strengthening of rates is due entirely to the grain movement, as it has been clearly established that other commodities have not been active. Conditions on the Pacific Coast are similar to those on the Atlantic and more than 20 steamers, mostly Japanese, have been chartered for grain from the Pacific Coast to Europe in the last two weeks and there is still good inquiry.

RATES IN SOUTH DAKOTA

A supplemental report has been issued by the Commission to revise its original report in 85 I. C. C. 217. In the original report the Commission held the rates on wheat and coarse grains unreasonable to the extent that they exceeded those prescribed to Sioux City by more than four cents via the C. & N. W. and six cents via the C. M. & St. P., two cents difference via the latter line being based on the fact that its route from Sioux City to Omaha is about 55 miles longer than that of the C. & N. W.

In complying with the order, Commission Campbell said, the Milwaukee reduced some rates and increased many of those to Omaha, the increases being made to reflect the rule of Omaha to be six cents over Sioux City. The South Dakota Railroad Commissioners (original complainants) contended the six cent difference was not justified.

NORTHWEST GRAIN PROPORTIONAL

A conference was held with three of the members of the Interstate Commerce Commission present and also Director Hardie, at which parties interested discussed a proposed grain proportional in the Northwest. This occurred on September 25, and the effort was made on the part of railroads interested in all-rail transportation of grain and grain products, destined to the East, between Twin Cities and Chicago, in competition with the rail-and-lake tramp steamer combination, to find a basis for the publication of proportional rates, to enable them to compete with the routes through Buffalo and other lower lake ports.

Missouri River interests and Southwestern mill-

ers said they did not object to reductions such as would result from the publication of proportional rates but they said they would object if the scheme was not made broad enough to cover traffic in which they were interested.

The matter came to no definite conclusion and is assumed by those interested to be a dead issue for the present at least.

OCEAN GRAIN RATES LOWER

Rates on wheat and flour to Japan from the North Pacific will remain at \$5 and to China \$5.50 during September, October and November. At the same time the latest development in the charter market was the fixture of a vessel from Montreal to the Bordeaux-Hamburg range at 10 cents per 100 pounds for August or September loading. This was even lower than the 10-cent rate last summer from Montreal to Antwerp direct, and reflects the depression in the tramp ship market at present.

Despite this evidence of weakness in rates, rates in other directions held firm at prevailing levels in the last month, and a hopeful sentiment with regard to business in the early fall is being expressed by shipowners.

CAR SUPPLY IN NORTHWEST

M. J. Gormley, chairman of the car service division of the American Railway Association, has said that the railroads in the Northwest are in the best physical condition on record to handle the crops movement this year and present indications are that the usual heavy crop shipments will be moved this fall without any transportation difficulties. In a recent address he said, in part:

With the ideal situation as to equipment now on the Northwestern lines, with the very great improvement in their transportation capacity, insofar as equipment alone is concerned, and regardless of other improvements made in facilities that add greatly to the capacity of the railroads, we believe we are fully justified in the assertion that the crop produced in the Northwestern region this year will be moved without a car shortage, provided it is not moved in any one period in such volume as to overtax the terminal facilities for unloading promptly. In other words, barring unusual delay in unloading at destination, a car will be available for movement whenever it is wanted. This, of course, does not necessarily mean that there may not be temporary shortages due to operating difficulties from time to time, but there will be no shortage as that term is generally known and as heretofore recognized in the grain shipping territories.

So far as the records of the car service division discloses, there has never been a more ideal situation from the standpoint of supply of equipment for handling the Northwestern grain movement. The railroads serving this territory were never in better physical condition than they are today and this from every standpoint, as well as that of equipment.

USING CONCRETE: WHAT TO AVOID

"The Concrete Dope Book," by W. H. Stewart of Waterloo, Iowa, gives some good advice on the handling of concrete work after listing a series of valuable tables and formulae. Among other "Don'ts," he says:

- Don't use ice cold, hot or dirty water.
- Don't disturb concrete after it has commenced to set.
- Don't whitewash with pure cement, always use a portion of real sand.
- Don't allow a mixed batch to remain unused for more than half an hour.
- Don't fail to protect new work from the rapid drying or from freezing.
- Don't use quick setting cement for ordinary work—they are dangerous.
- Don't fail to tamp thoroughly.
- Don't fail to soak old concrete with water before endeavoring to join it to some new work.
- Don't fail to keep molds and forms well oiled.
- Don't trowel your work too much.
- Don't try to even a surface with a trowel—use a float or striker and then allow the water on top to evaporate before you finish with trowel.
- Don't fail to put in plenty of joints and divisions to take care of expansion and contraction.
- Don't make your concrete too rich.
- Don't use too much water or you will have cracks to contend with.
- Don't fail to heat your materials in cold weather.
- Don't forget that wetting the sand or gravel or stone will make the cement adhere more easily.
- Don't forget to inspect your ingredients carefully before you use them.
- Don't guess at proportions of materials—measure them carefully.

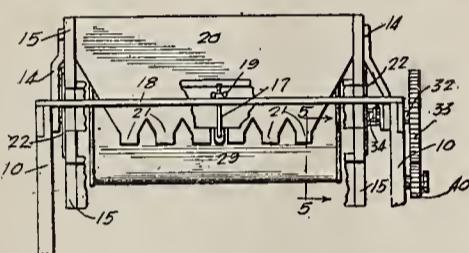
THIS autumn there will be 42,919,000 acres sown to Winter wheat, according to a report issued by the Department of Agriculture. This will be an increase of 2,800,000 acres over last year.

GRAIN TRADE PATENTS

Bearing date of September 2, 1924

Grain separator—William B. Doyle, Arago, Ore. Filed June 27, 1921. No. 1,507,109. See cut.

Claim: In a grain separator, an endless belt arranged for operation in an inclined plane, means for imparting lateral vibratory movement to said belt, comprising fingers rigidly sustained on said shaft, a

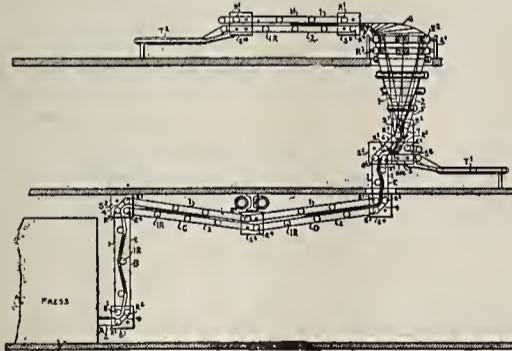


stub shaft, a cross arm secured to the stub shaft and engaging said fingers, a fixed cam engaging said fingers and means for rotating said stub shaft whereby said fingers and cross arm co-operate to effect the driving of the first shaft, and said fingers and cam co-operate to effect a reciprocating movement of said shaft.

Bearing date of September 9, 1924

Belt conveyor—Gustave B. Reisbach and Harry A. Sedgwick, Milwaukee, Wis., assignors to the Cutler-Hammer Manufacturing Company, Milwaukee, Wis., a corporation of Wisconsin. Filed May 2, 1921. No. 1,508,351. See cut.

Claim: In a conveyor, in combination, a plurality of



endless belts, certain of the same being arranged horizontally and others vertically, rollers on which said belts are mounted to provide a plurality of conveyor sections and supporting frames for said rollers, said frames being of like construction and each being adapted to accommodate a plurality of rollers in positions disposed symmetrically about a common axis.

Bearing date of September 16, 1924

Attrition mill separator—John J. Czarev, Henry H. Whitley and Michael Kreuser, West Allis, Wis. Filed November 9, 1923. No. 1,509,089.

Bearing date of September 23, 1924

Grain door for box cars—John C. Folger, Alton, Iowa. Filed August 25, 1923. No. 1,509,199.

Apparatus for treating grains and organic matter—Robert E. Baker, Pittsburgh, Pa., and Harry W. Jordan, Syracuse, N. Y. Filed September 13, 1923. No. 1,509,280.

GREAT LAKES freighters have lost one-seventh of their capacity because they cannot load so deeply as formerly. Something has lowered lake levels, and this may have something to do with difficulties of congestion in moving wheat.

A NEW high record in the number of cars loaded with grain and grain products was established the week ended August 30, when 68,837 cars were loaded. This was an increase of 4,122 cars over the previous record, which was established the week ending July 19, 1921, when 64,715 cars were loaded.

ELEVATOR AND
GRAIN NEWS

EASTERN

The capital stock of the Ogden Grain Company of Utica, N. Y., has been reduced from \$150,000 to \$50,000.

The New York State Engineering Department is drawing plans for a grain elevator at Troy, N. Y., costing \$800,000.

To elevate grain, manufacture flour, etc., the Evans Grain Elevator Corporation of Buffalo, N. Y., has been incorporated. R. T. Fiske, Frank Winch and George G. Smith are interested.

The Twentieth Street Elevator at Philadelphia, Pa., is to be rebuilt by the Philadelphia & Reading Railway. The elevator burned some time ago. It will be equipped with modern machinery.

The Lewis E. Sands Company of Albion, N. Y., dealers in beans and grain, has closed down, and Mr. Sands is reported missing. The liabilities of the firm are said to exceed its assets by \$300,000.

The Merrimack Farmers Exchange of Concord is interested in the establishment of a grain elevator at Goffstown, N. H. A branch office in the exchange at Concord is also included in the plans of the company for expanding.

The Connecting Terminal Elevator at Buffalo, N. Y., owned by the Pennsylvania Railroad has been leased by the Grain Marketing Company. It has a capacity of 2,000,000 bushels, together with its own export elevator there. J. W. Hudson will manage the elevator.

MISSOURI, KANSAS AND NEBRASKA

A new elevator is being erected at Max, Neb., for the F. C. Krotter Company.

Frank M. Saum is now manager of the Farmers Co-operative Elevator at Ruskin, Neb.

F. W. Pool is succeeded as manager of the elevator at Mullen, Neb., by G. Cox.

Capitalized at \$10,000, the Farmers Elevator Company has been incorporated at Hallam, Neb.

The elevator at Holyrood, Kan., has been leased by Charles Park. John Wilkins is in charge.

The elevator of the Kansas Flour Mills Company at Mullinville, Kan., which burned, is being rebuilt.

The Farmers Elevator at Emerson, Neb., has been bought by the Crowell Lumber & Grain Company.

Emil Eliasson is successor to Nial Viles as manager of the Farmers Grain & Stock Company of Crofton, Neb.

The elevator of the Albers Commission Company at Grafton, Neb., has been bought by the Holdrege Equity Exchange.

A new office building of brick construction is to be erected at Argonia, Kan., for the Farmers Elevator Company.

Electric power has been installed in the 175,000-bushel elevator at Coffeyville, Kan., by the Alin Grain Company.

The Dundee Farmers Grain & Supply Company of Dundee, Kan., has been sold. John J. Law is running it at present.

A set of new 10-ton scales has been installed in the Robinson Elevator at Barnard, Kan., under the management of E. B. Simmons.

The elevator of the Leflang Grain Company, successors to the Lexington Mill & Elevator Company at Brule, Neb., has been overhauled.

The elevator of the Craig Grain Company, Craig, Mo., is to be managed by F. V. Cummins of Wymore, Neb. He succeeds R. E. Sellers.

A 12,000-bushel house has been completed at Verdi, Kan., for the Farmers Co-operative Elevator Company, replacing the one which burned.

William MacCauley has left the I. H. Blood Grain Company at Wichita, Kan., and is now with the John Hays Grain Company of Hutchinson, Kan.

A concrete block warehouse is being erected by the Keyes Mill & Elevator Company of Clinton, Mo., and a grinder is being installed in the old elevator.

F. M. Mead has purchased the Mead-Christman Grain Company at Ashland, Kan. He will operate the property under the name of the F. M. Mead Grain Company.

A \$60,000 reinforced concrete feed mill and storage house of 35,000 bushels' capacity and grind-

ing capacity of 10 to 12 cars a day is to be erected at Kansas City, Mo., for the Ransom Coal & Grain Company.

The elevator of the Moser-Lerrick Grain Company at Oberlin, Kan., has been bought by the Lohoefer Grain Company.

The elevator which A. Kassik & Son bought recently from the Milligan Grain Company at Milligan, Neb., is being remodeled.

Charles Beebe Neal, who for years was in the grain brokerage business at Omaha, Neb., as the Neal Grain Company, has closed out his business.

A line of elevators of the Leonard Mill & Elevator Company, together with the mill at Saxman, Kan., has been bought by the Central Kansas Milling Company.

The Baker-Crowell Elevator at Huron, Kan., has been bought by the Farmers' Union. Arch Wilson will be transferred elsewhere. The farmers company will operate it.

The elevator at Lebanon, Kan., owned by the Farmers' Union, has been leased by the Farmers Union Elevator Company of Kansas City. Clyde C. Moore will be manager.

The Fremont Grain Company which was incorporated at Fremont, Neb., is now operating the property of the Nye-Schneider-Jenks Company with Elevator B excepted at Fremont.

Articles of incorporation have been filed by the Maysville Farmers Elevator Company of Maysville, Mo., capitalized at \$10,000. Byron S. Hunter, N. G. Hunter and C. D. Gilbert are interested.

MINNESOTA AND WISCONSIN

A grain and feed warehouse is being built at Tabor, Wis., by Mat Matson.

The Atlas Flour Mills' Elevator "B" at Milwaukee, Wis., has been declared regular.

The Great Western Grain Company's elevator at Klossner, Minn., has been repaired.

Leonard Peterson succeeds Frank Page as manager of the Farmers Elevator at Jackson, Minn.

The elevator at Richville, Minn., has been leased from the Atlantic Elevator Company by F. E. Kaiser.

The Phil Orth Company of Milwaukee, Wis., is building an additional story to its elevator and warehouse.

All of the elevators of the Equity Co-operative Exchange of St. Paul, Minn., have been opened for business.

Walter Reiners is succeeded as manager of the Farmers Elevator at Clara City, Minn., by Alfred C. Jackell of Beaver Creek.

The elevator at Bethany (p. o. Altura), Minn., which has been closed for business has been opened with Max Iwinski as buyer.

The McKay Bros. of Minneapolis have opened the Farmers Elevator at Cokato, Minn. G. R. Treaner of Litchfield will be the local buyer.

The office building of the Farmers Elevator Company at Amiret, Minn., has been enlarged and a 10-ton Howe Scale installed and general repairs made.

The De Forest Grain & Feed Company of De Forest, Wis., is erecting a new warehouse, replacing the one which was damaged by high winds recently.

R. H. Sietsma is now manager of the E. A. Brown Elevator at Trosky, Minn. He was formerly manager of the Farmers Elevator at Reading, Minn.

neapolis, which has been idle for two years. It is equipped to turn out 1,250,000 bushels malt per year. The present storage capacity is about 200,000 bushels, but the contract has been awarded

The elevator at Greensburg, Kan., formerly operated and owned by the Greensburg Grain Company, has been taken over by Robert Bailey. He will run it as the Robert Bailey Grain Company.

The elevator of the Farmers Milling & Elevator Company at Warren, Minn., has been leased by the Crookston Milling Company. O. B. Tausan has been engaged as buyer. The farmers' company will continue in the flour, feed and seed business.

The recently incorporated Interior Malt & Grain Company of Milwaukee, Wis., has bought the malting plant of the Pioneer Malting Company of Min-

for six additional storage tanks, which will about double the capacity. They will enlarge the plant and will be ready for operations shortly after the first of the year.

The Rock Island Elevator at Omaha, Neb., formerly operated by the J. Rosenbaum Grain Company, has been bought by the Trans-Mississippi Grain Company.

Mr. Thorstad is now operating a grain elevator at Wendell, Minn. He formerly operated the O. & M. Elevator at Tenney and is succeeded there by Lauren Sigler.

The Milwaukee Railroad has plans under way now for the erection during the coming year of a 1,000,000-bushel grain elevator at Milwaukee, Wis. The proposed elevator will have a capacity of from 30 to 40 cars of grain every day.

The contract has been awarded by the Gregory-Jennison Company of Minneapolis, Minn., for the erection of a 500,000-bushel addition to its Marquette Elevator. This will consist of 16 concrete tanks, which will bring the capacity up to 1,000,000 bushels.

The elevators at Windom, Slayton and Wilder, Minn., formerly operated by the St. Johns Elevator Company, has been bought by the R. E. Jones Company of Wabasha, Minn. The purchase was made from F. E. Crandall, receiver. The Jones company has already taken possession of the houses.

OHIO AND MICHIGAN

The Portland Elevator Company is building a storehouse 24x60 feet at Portland, Mich.

A lumber shed is being erected at Rose City, Mich., for the Rose City Elevator Company.

Ora M. Clark has bought the Kennard Elevator at Kennard (Cable p. o.), Ohio, from J. A. Caldwell.

Capitalized at \$40,000, the Chesaning Elevator Company has been incorporated at Chesaning, Mich.

The Portage (Mich.) Elevator has been equipped with a new motor. The property is owned by G. Mein.

The capital stock of the McBain Grain Company of McBain, Mich., has been increased from \$35,000 to \$75,000.

The interest of John Graham in the Orient Grain Company at Orient, Ohio, has been bought by J. H. Hill.

A complete feed department has been installed by the Detrick Grain & Mercantile Company of Tippecanoe City, Ohio.

Electricity is being installed by the Deshler Farmers Elevator Company of Deshler, Ohio, to operate the machinery.

Charles L. Rockwell and Donald C. Peruchi have incorporated at Pontiac, Mich., as the Rockwell Coal & Feed Company.

The elevator of the Co-operative Business Produce Coal Company at McCords, Mich., is being operated by R. E. Colby.

The elevator and warehouse of the Zack Davis Seed Company at Delaware, Ohio, has been bought by J. M. Smith & Tagg.

The elevator and coal yard at Dundee, Mich., formerly operated by the Michigan Milling Company has been bought by Karner Bros. & Keinath.

F. E. Kelsey is now manager of the Farmers Elevator Company of Cass City, Mich. He was formerly president of the Farmers Co-operative Elevator Company.

The old grinder of the Bellevue (Ohio) Farmers Grain Company is being replaced with a new 24-inch Bauer Ball Bearing Attrition Mill.

The elevator at Abe (r.f.d. Covington), Ohio, is being torn down and the material will be used in the erection of a new elevator at Covington for a Mr. Myers of Pleasant Hill.

The Fostoria Grain & Milling Company of Fostoria, Ohio, has sold its property. One building went to Richard Abowd for \$11,000; another to Sylvester Jacklin for \$10,000 and the third to Perry J. Bingham for \$9,000.

Dull & Harris, a partnership which has been operating at Deshler, Ohio, operating the Stafford & Lee Elevator, which it bought has been dis-

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solved and Mr. Dull has taken over the Harris interests. Will operate under the name of the George Dull Grain Company.

Lewis Cool is the successor to the Elmdale (Mich.) Elevator Company and is operating the elevator and doing a grain and bean business.

Paul Jordan and C. R. Coblenz have incorporated at New Paris, Ohio, as the New Paris Elevator Company. Its capital stock is \$15,000.

Last month we reported that the contract for the Luckey Farmers Exchange Company at Woodville, Ohio, was awarded to the Reliance Construction Company. The contract, instead, has been given to L. J. McMillin of Indianapolis.

Mark B. Gay and R. Van Dyke have formed a partnership as Gay & Co.; at Grand Rapids, Mich., to conduct the grain jobbing, bean, twine and hay business formerly conducted by Gay & Boyd, a partnership which dissolved on September 30.

INDIANA

The Wakarusa Mill & Elevator Company of Wakarusa, Ind., has added a new elevator stand.

A brick cob burner has been completed at the elevator of the Jones Bros. at West Lebanon, Ind.

The San Pierre Grain & Supply Company of San Pierre, Ind., has installed a 15-horsepower electric motor.

A 15-horsepower motor has been installed in the elevator of the San Pierre Grain & Supply Company of North Judson, Ind.

Electricity has been installed in the elevator and flour mills of A. A. Ulrey & Co., at Fairmount, Ind. It replaces the steam power.

A 25-horsepower oil engine has been installed in the plant of the Raber Co-operative Company of Raber (r. f. d. Columbia City), Ind.

The time of the corporate existence of the Branch Grain & Feed Company of Martinsville, Ind., has been extended to December 31, 1944.

A half interest in the Mitchell Grain Company, Kingsbury, Ind., has been bought by Roy Mitchell of LaPorte. N. J. Mitchell was the proprietor.

A new office is to be built for the grain elevator and coal yard of the Mayer Grain Company at Churubusco, Ind. A new 15-ton scale has been bought.

The contract has been awarded by the Barr Grain Company of Chalmers, Ind., for a 20,000-bushel wood, ironclad elevator replacing the one which burned last month.

The E. Hickman and David Keller Elevator at Corydon, Ind., has been bought by W. H. P. Wiseman and his son. The new owners will take charge some time in October.

Elevator "A" at Indianapolis, Ind., is to be torn down. The elevator is one of the oldest there and has a capacity of 450,000 bushels. It has not been in operation for two years.

On September 15 the old firm of Schaefer & Schwartzkopf, who conducted a grain and milling business at Columbus, Ind., for almost 32 years, was dissolved. Mr. Schwartzkopf retired; Mr. Schaefer will continue the business.

The Woodstock Mills, Seymour, Ind., formerly known as the Enos Elevator and recently bought by the Blish Milling Company, is to be enlarged and changed from an elevator into a feed mill. The contract has been let for the machinery equipment.

Capitalized at \$125,000, the Mt. Vernon Milling Company has been incorporated at Mt. Vernon, Ind., to operate grain elevators and flour mills. The directors are: J. E. Kelley, W. H. Gonnerman, F. L. Keck, R. E. Wilson, William Gonnerman and R. V. Stinson.

IOWA

The J. H. Ohde Grain Company is succeeded at Manning, Iowa, by Chas. Barten.

J. W. Martin is succeeded in the grain business at Otho, Iowa, by H. G. Johnson.

The elevator of the old Hubbard Grain Company at Plymouth, Iowa, is being conducted by J. P. Hennessey.

The coal sheds and elevator at Panora, Iowa, which the Farmers Elevator Company bought last year from the Armour Grain Company is being repaired and the old corn cribs are being torn down.

The Farmers Elevator Company of Bondurant, Iowa, has completed its new elevator and is now ready for business.

The elevator at Washta, Iowa, has been sold by J. K. McGonagle to the Fields Webster Elevator Company of Sioux City.

The Farmers Elevator at Ulmer, Iowa, has been bought by the Meyer Bros. for \$7,000. Possession was given at once.

The business and property of the Independent Grain Company at Hartley, Iowa, has been bought by the Iowa Grain Company. M. Storms remains

as manager. The Independent Grain Company operated elevators at Max, Dion and Hartley.

C. A. Sankey is succeeded as manager of the elevator of the Kunz Grain Company at Galbraith (Luvern p. o.), by B. J. Sankey, his son.

Offices are to be opened at Spencer, Iowa, by the Froedtert Grain & Malting Company for buying grain. Claude B. Martin will be in charge.

The elevator and grain business of the Radcliffe Grain Company at Radcliffe, Iowa, has been bought by the Quaker Oats Company. Omer Lenning has been retained as manager.

The charter of the Farmers Elevator Company at Industry (Fort Dodge p. o.), Iowa, has been amended and the name of the firm changed to the Industry Elevator Company.

The large elevator at Lakota, Iowa, which the Farmers Co-operative Elevator Company purchased from Greig & Stockdale, has been successfully moved to Stevens, a distance of seven miles.

The elevator at Hanford (p. o. Mason City), Iowa, has been leased by Rankin & Clark of Rockwell and will continue to handle grain, coal, flour and feed. The elevator was owned by the Independent Grain & Lumber Company.

The elevators of the Hubbard Grain Company in Hancock and Kossuth Counties, Iowa, have been sold to the Northern Iowa Grain Company, which was just recently organized. The elevators are at Duncan, Miller, Sexton, Rudd and Hayfield. Lowell Hoit of Chicago is president and F. A. Cooley is secretary.

THE DAKOTAS

The Verdon Grain Company of Verdon, S. D., is repairing its elevator.

B. J. Wolf's elevator at Lansford, N. D., has been overhauled and repaired.

Fred Kramer is manager of the Farmers Elevator Company operating at Lowry, S. D.

J. S. Birdsall of New Leipzig has installed a 25,000-bushel elevator at Burt, N. D.

The Farmers Elevator Company of Clark, S. D., has installed a 25-horsepower motor.

The Farmers Elevator Company of Thunder Hawk, S. D., is repairing its elevator.

The Fruen Grain Company has moved its South Dakota office from Oldham to Mobridge.

The Farmers Elevator Company has opened an elevator at Reeves (mail to Ypsilanti), N. D.

The Minnekota Elevator Company of Fullerton, N. D., is making extensive repairs on its elevator.

General repairs have been made to the elevator of the Farmers Elevator Company at Hazel, S. D.

The A. J. Helgerson Grain Company has made a number of changes to its elevator at Westhope, N. D.

Several improvements have been made to the elevator of the Gackle Grain Company at Harvey, N. D.

A new grain storage building is being built at Fife (Mina p. o.), S. D., for the Brown Elevator Company.

A new 20,000-bushel annex is being built to the elevator of the Atlas Elevator Company at Cuthbert, S. D.

The Boekelheide Elevator Company has bought the elevator of the Security Elevator Company at Cresbard, S. D.

Extensive repairs have been completed at the plant of the Litchville Seed & Grain Company of Litchville, N. D.

An elevator at Riga (mail to Granville), N. D., has been rented by the Lippmann Elevator Company of Granville.

The Farmers Elevator Company of Fortuna, N. D., is putting in a new cleaner, in addition to those already installed.

The Farmers Elevator Company's plant at Wessington Springs, S. D., which blew down a short time ago, is being rebuilt.

To operate an elevator at Ellendale and Pohl's Spur, N. D., the Ellendale Grain & Produce Company has been incorporated.

The Atlas Elevator at Broadland, S. D., which burned, is to be rebuilt. The new one will have a capacity of 30,000 bushels.

The Black Grain & Fuel Company at Greenville, S. D., has been bought by E. S. Woodworth & Co., of Minneapolis.

R. A. Buchner and F. J. Schoenberger have incorporated at Kimball, S. D., as the Kimball Grain Company. Its capital stock is \$50,000.

A farm implement warehouse is to be built at Chelsea, S. D., for the Chelsea Grain Company to operate in connection with its elevator.

The Farmers Co-operative Elevator Company which for years has been operating at Kongsberg, N. D., has been reorganized as the Independent Elevator Company.

A pneumatic air dump has been installed, with an overhead motor equipped with silent chain

drive in the Bosch-Kruger Elevator at Linton, N. D. Three motors have also been installed.

The grain elevator of C. B. Bailey at Milbank, S. D., has been sold to the Miller Elevator Company which already has taken possession.

A grain elevator of from 10,000 to 15,000 bushels' capacity has been erected at New England, N. D., for the Western Lumber & Grain Company.

The contract has been let by the Farmers Elevator Company of Wild Rose, N. D., for the erection of a 4,000-bushel addition to its elevator.

The entire interests of the Yale Grain Company at Yale, S. D., have been bought by Sheldon F. Reese, whose headquarters are at Huron, S. D.

Chas. W. Estee has bought the Atlas Lumber Company's coal sheds at Hecla, S. D., and is handling coal in connection with grain and feed.

The elevator of C. A. Carlson & Son of Arlington, S. D., has been leased to Potter, Garrick & Potter. They have sold the other two elevators.

The Equity Elevator at Sanborn, N. D., has been bought by J. W. Brenner of Jud. He had charge of the elevator for the former owners at one time.

A feed mill and cleaning equipment, together with a 25-horsepower engine, have been installed for the Farmers Grain Company of Hansboro, N. D.

The Red Wing Elevator Company's elevator at White Rock, S. D., has been taken over by the Northwestern Elevator Company which is now operating it.

The Duluth Elevator at Grand Forks, N. D., has been bought by the Grand Forks Ice & Fuel Company. The building will be torn down and a coal yard built.

J. W. Standley, E. S. Carpenter, E. M. Fuller and Frank H. Sussex have incorporated at Hope, N. D., as the Hope Elevator Company. The firm is capitalized at \$25,000.

Ernest Steele is succeeded by C. L. Packard as manager of the Edgeley Co-operative Grain Company at Edgeley, N. D. He resigned to go into business for himself at Campbell, Minn.

The elevator at Conde, S. D., has been bought by Dave Lytle. He intended to remove it to Turton, but when it had been moved about four miles it tipped over and was smashed to pieces.

The management of the Madison Grain Company at Madison, S. D., which has taken over the business of the Madison Mill & Grain Company is to be managed by Marcus Aus of Sioux Falls.

SOUTHERN AND SOUTHWESTERN

Business is to be conducted at Galveston, Texas, by the Abbott Grain & Seed Company.

A new flour and feed warehouse has been erected at Pond Creek, Okla., for the Farmers Grain Company.

The Cherry-Moss Grain Company of Union City, Tenn., will install an automatic sacking scale and automatic loader.

J. E. Tate & Co., the grain firm of Memphis, Tenn., whose proprietor was killed some months ago, is being liquidated.

C. A. Ramsey succeeds G. H. Snider as manager of the Farmers Co-operative Elevator & Exchange Company at Hinton, Okla.

The old Patterson Elevator at Bartlesville, Okla., has been bought by George C. Pinkerton and Bert Phillips of Coulterville, Ill.

G. H. Snider is succeeded as manager of the Farmers Co-operative Elevator & Exchange Company at Hinton, Okla., by C. A. Ramsey.

The offices of John T. Gibbons, Inc., at New Orleans, La., have been moved to their New Basin Elevator. They had been in one location for 60 years.

Articles of incorporation have been filed by the Floris Grain Company of Floris, Okla. F. W. Hitchcock, H. A. Laske and F. M. Hitchcock are interested.

The Eagle City Grain Company has been incorporated at Eagle City, Okla., capitalized at \$5,000. A. L. Blanc, A. L. Odell and Carl Garriott are interested.

J. R. Lankard has retired as general manager of the Kingfisher Mill & Elevator Company at Kingfisher, Okla., and is succeeded by his son, F. W. Lankard.

A branch has been opened at Amarillo, Texas, by W. N. Graham, operator of a grain exchange at Wichita Falls, and San Antonio, Texas. G. W. Holden is in charge.

The capacity of the elevator of the Zalabak Grain Company of Kingfisher, Okla., is being increased to 25,000 bushels. It also is to install a grain crusher and feed mill for custom grinding. This is the second time this year that the company has found it necessary to increase its capacity.

A new warehouse has been completed at Columbia, Tenn., for W. N. Butler & Co., for the storage of grain, feedstuffs and hay. Mr. Butler plans

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to do a regular storage and warehouse business. The capacity of the house is approximately 20 cars of grain with ample space for hay.

The Oglesby Feed & Grain Company of Fort Smith, Ark., is building a \$25,000 warehouse and addition to its wholesale flour and feed plant. W. T. Oglesby is manager.

A wholesale house is to be opened at Anderson, S. C., for W. Frank McGee of the firm of McGee & Bowlan. The company will deal principally in grain, flour, hay and feeds.

C. A. Polson is now associated with the Winters Grain Company. He was formerly an Oklahoma City grain dealer and was recently with the Bruce Bros. in Kansas City, Mo.

The elevator of the Jameson Elevator Company at South Coffeyville, Okla., which they sold to the Farmers Association, has been bought back by them and is being managed by T. F. Jameson.

The Pierson-Johnson Elevator at Salt Springs (Freedom p. o.), Okla., has been leased by the Farmers Co-operative Elevator & Supply Company. The firm will probably buy or build next year.

A new elevator is being erected at Weatherford, Texas, by H. J. Bradish, taking the place of the one which burned a few months ago. A storage house was built shortly after the fire took place.

A wholesale grain house costing \$16,000 is to be built at Port Arthur, Texas, for the Gordon Sewall Grain Company of Beaumont. The company will do a general grain, feed, and wholesale supply business.

The grain elevator and equipment of O. Spradlin at Union City, Tenn., have been sold by him to the Gillette Grain Company of Nashville, which will remodel the property. He operated under the name of the Union City Elevator Company.

A third interest in the elevator at Buffalo, Okla., has been bought from the L. O. Street Grain Company of Woodward, by James Litz. M. V. Braley, who formerly managed this elevator has been appointed manager at Buffalo for the Farmers Elevator.

At a meeting of the Port Commission of the City of Houston it was decided to immediately call for bids for the construction of a grain elevator which will cost \$1,000,000. The proposed elevator will be located on the ship channel, and will have an initial capacity of 1,000,000 bushels. The plans call for an ultimate capacity of 6,000,000 to 8,000,000 bushels. Plans for the buildings were drawn by the J. S. Metcalf Company of Chicago. Speed in the handling of grain has been a prime consideration with the port authorities and many special features not found in the Southwest will be embodied in the system here. For example, cars will be dumped at the storage bins by governors, and unloading will be completed in about eight minutes, where it usually takes 30 minutes. The machinery will be of the most modern and powerful kind, it is stated. A storage capacity of 8,000,000 bushels will not put too great a burden on the loading and handling equipment. It is expected that the elevator will be ready for operation in less than a year. It is predicted that this elevator will do much to stimulate grain export traffic through the Port of Houston.

ILLINOIS

John Potts of Wheaton is manager of the Firden Grain Company of Carlinville, Ill.

A new elevator is to be put into operation soon at Walnut, Ill., for the Brokaw Grain Company.

V. L. Marks is manager of the Paxton Farmers Grain Company at Paxton, Ill., succeeding W. H. Westbrook.

Carl Bradway is succeeded as manager of the Virden Grain Company at Virden, Ill., by John Potts of Wheaton.

Capitalized at \$25,000, the G. W. Blackburn & Co., Inc., was incorporated at Fairfield, Ill. J. A. Blackburn, L. C. Blackburn and B. F. Thomas are interested.

John J. Williams is now conducting the grain business at Colfax, Ill., which he and his father formerly operated as a partnership. His father has retired.

The Peoria Grain & Elevator Company has been incorporated at Peoria, Ill., to deal in grain, grain products, coal, etc. G. G. Gyles, C. F. Gyles and Thomas L. and M. A. Jones are interested.

The Truby Company, grain dealers of Joliet, Ill., has changed its name to the Truby Grain, Feed & Coal Company. The capital stock has also been changed from \$10,000 to 1,000 shares of non par value.

The elevator at Saybrook, Ill., which A. L. Horner, Lee Thompson and Abe Horner bought from the Cheney's Grove Grain Company, has been taken over by the purchasers. A. L. Horner will be in charge. They will operate as the Saybrook Grain Company.

The Eagle Flour Mills, Inc., were recently incorporated at Petersburg, Ill., capitalized at

\$26,500. The company will conduct a general buying and selling business in grain and grain products. Incorporators: Harry B. Apken, Wm. J. Luthringer, H. J. Aden, P. Schneider and J. C. Beekman.

A new cracked corn separator and aspirator has been installed in the elevator of Wm. Ringle & Co. at Cambridge, Ill. The machine makes two sizes cracked corn and removes all meal and oversized particles.

The Jacksonville Grain & Commission Company of Jacksonville, Ill., has bought the elevators of the F. J. Blackburn Company at Naples and Riggston, Ill. W. E. Hatfield is in charge at Naples, and Norman Taylor at Riggston.

The Thom Elevator at Rankin, Ill., recently passed into the hands of John Alexander, a farmer near there, who took it in trade for a quarter section of land from E. H. Whitham. He will be in personal charge of the elevator.

The elevator and feed plant in Chicago, Ill., formerly operated by the American Malting Company has been bought by the J. J. Badenoch Company. The elevator has a capacity of 600,000 bushels with trackage for 25 cars. Extensive alterations are being made.

WESTERN.

A grain elevator is to be erected at Kevin, Mont., for J. C. Kiehlbaugh.

A grain business is to be conducted at Ellensburg, Wash., for C. E. Arvidson.

The grain and feed business of C. G. Giesy at Aurora, Ore., has been sold by him.

The Rocky Mountain Elevator Company at Bynum, Mont., has been leased by the Equity Elevator.

The Vail Company will erect a new grain warehouse at Temecula, Calif., replacing the one which burned.

The Colfax Grain & Seed Company of Colfax, Wash., expects to install grain cleaning machinery this fall.

The Wedge Grain Company at Deer Park, Wash., has been bought by R. F. Millard of Cheney, Wash.

The J. W. Denio Milling Company of Laurel, Mont., has reopened its elevator after being closed during the summer.

The elevator of the Fairview Mill Company at Bainville, Mont., has been repaired and is now ready for the new crop.

A. C. Alexander is the new manager of the Inter-Ocean Elevators at Sugar City, Idaho, succeeding Charles Browning.

The old Equity Elevator at Stockett, Mont., has been bought by the Greely Elevator Company, and a new truck dump has been installed.

The Farmers Grain & Milling Company of Pocatello, Idaho, has moved its general offices to Pocatello, Idaho, from Salt Lake City.

The grain elevators of the Millers Bros. at Ashton, Idaho, and Drummond have been bought by the Kaysville-Layton Milling Company of Kaysville, Utah.

The old elevator of the Holyoke Farmers Co-operative Company at Holyoke, Colo., is being torn down preparatory to building a new house for the Reimer, Smith Grain Company.

E. Lisbon is now associated with the Fort Morgan Grain & Bean Company at Fort Morgan, Colo. He was formerly with the J. Rosenbaum Grain Company at Kansas City.

The Jahnke Building at Hynes, Calif., has been rented by A. H. Wetzel, manager of the Consolidated Hay & Grain Company and will conduct a sales room for hay, grain and feed.

A two-story addition is to be built to the property of the Clovis Mill & Elevator Company of Clovis, N. M. The addition will have a storage capacity of 60 carloads of flour and feed.

The Bagley Elevator Company of Miles City, Mont., is improving its elevator at a cost of \$1,800. A 10-ton scale is being put in commission and special auto truck dumps are being installed.

F. S. Baller is now manager of the White-Dulaney Company and the Milwaukee Grain Elevator Company of Spokane, Wash. He succeeds C. E. Arvidson who recently went into business for himself at Ellensburg, Wash.

A general grain business is to be conducted at Seattle, Wash., by the recently organized W. J. MacDonald Company. W. J. MacDonald, the organizer, was formerly president of the MacDonald Grain Company of Seattle.

The elevator at Toston, Mont., formerly owned by the Park County Milling Company of Livingston, Mont., has been bought by Straus & Co. of New York. E. E. Parker will continue to have charge under the new management.

To engage in dealing in all kinds of grain, hay and other produce, the Ochoco Warehouse Company has been incorporated at Prineville, Ore.,

capitalized at \$10,000. F. E. Studebaker, C. W. Woodruff and Donald M. Graham are interested.

A new elevator is being completed at Capulin, N. Mex., by Maxwell & Hillyer.

E. W. Feehan has taken over the management of the Imperial Elevator at Glasgow, Mont.

The Peerless Grain Company of Pocatello, Idaho, has amended its articles of incorporation.

The Imperial Elevator Company of Culbertson, Mont., has put in a new foundation and made extensive repairs on it. A new 10-ton scale and dump were installed.

An office has been opened at Portland, Ore., by Gordon T. Shaw, a grain broker of Seattle, Wash. M. M. Lanier, formerly in charge of the Helix Milling Company of Helix, Ore., is in charge of the office.

The products of the Nicholls Grain & Milling Company, Los Angeles, Calif., are to be handled nationally. The present plant will be enlarged and necessary financing is now in progress to handle this.

M. D. Jones of Springdale and A. J. Haile of Spokane have bought the Springdale Grain Company at Springdale, Wash., and will continue the business under the name of the Springdale Feed Company.

A new 35,000-bushel elevator is to be built at Terry, Mont., for the Columbia Elevator Company, replacing the one which burned last year. The new elevator was to be opened the latter part of September.

I. C. Stanford and his son, H. E., are in the grain business at Portland, Ore., as I. C. Sanford Grain Company. He was formerly with the Northern Grain & Warehouse Company and Strauss & Co.

Work has been completed on the new grain warehouse at McKay Siding, mail Dayton, Wash. It is the property of the Waitsburg Farmers' Union Warehouse Company and replaces the one destroyed by fire.

CANADA.

H. Winkler of Morden, Man., has constructed a 40,000-bushel elevator in connection with the Morden Flour Mills which he recently purchased.

James Smart of Fort William, Ont., has been appointed superintendent of the Vancouver Harbor Commissioners Terminal Elevator, succeeding C. McLean.

The No. 3 Elevator of the Vancouver Harbor Board, better known as the Woodward Elevator, is to be enlarged. The capacity will be increased by 600,000 bushels.

It is anticipated that the construction of the Panama Pacific Grain Terminals, Ltd., Elevator to cost in the neighborhood of \$70,000, will be commenced early in the new year.

The Elevator No. 2 of the Harbor Commission at Vancouver, B. C., has been enlarged by 1,200,000 bushels and further extensions in capacity may be necessary because of increased business.

Douglas E. Gillis is now superintendent of the new Government 2,000,000-bushel elevator at Edmonton, Alta. He was foreman of the Canadian Government Interior Elevator at Moose Jaw for years.

Arrangements have been made by the inter-provincial selling agency of the western Canada wheat pools for leasing the two terminal elevators of the Gillespie Grain Company, Ltd., at Fort William, Ont.

Grain elevators at Ardill, Expanse, Kincaid, La Fleche, Mortlach, Milestone, Mossbank, Harris and Meyronne, Sask., have been bought from the R. B. McClean Elevator Company by James Richardson & Sons, Ltd. The elevators will be operated as the Pioneer Grain Company.

The new Reliance Elevator at Port Arthur, Ont., was opened for business on October 1. The elevator has a capacity of 1,500,000 bushels and cost in excess of \$1,000,000. It will be operated by Smith, Murphy & Co., of Winnipeg. Barnett-McQueen Company had the contract.

The Smith-Murphy Grain Company of Winnipeg, Que., is now operating under lease the 10 Saskatchewan elevators formerly operated by the R. B. McClean Company, Ltd., of Winnipeg. It is understood that negotiations are under way for the purchase of the elevators in question. The elevators are located at Almeda, Antler, Ardill, Elrose, Estevan, Gainsboro, Kinop, Kisby, Lemberg and Mossbank.

The announcement has been made from Regina, Sask., of the amalgamation of all the subsidiary companies of the Saskatchewan Co-operative Elevator Company under the name of the parent body. The change brings the central control of the largest self-contained grain handling firm in the world to Regina. The department of the company are now operated at Regina, Winnipeg, Port Arthur, New York, Vancouver, all administered from the head office at Regina.

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FIRES - CASUALTIES

Gorin, Mo.—The elevator here burned.

Croswell, Mich.—Fire did slight damage to the Farmers Elevator.

Montevideo, Minn.—The elevator of the American Society of Equity burned.

Turlock, Calif.—Partial loss was caused by fire in the elevator of K. Knutsen on September 11.

Ashland, Ohio.—Fire on September 23 damaged very slightly the elevator of John L. Donley & Bros.

Pence, Ind.—Lightning caused a small damage loss on September 3 to the elevator of J. O. Crane & Co.

Strawn, Kan.—Fire destroyed the elevator of S. A. Hutchison & Sons. The fire was started by lightning.

Kircaldy, Sask.—The grain elevator of the Western Canada Flour Mills burned together with the flour shed.

Runnymede, Kan.—A windstorm damaged the elevator of W. L. Botkin & Son at this place on September 7.

Mayfield, Kan.—The elevator of the Hunter Milling Company was damaged by a windstorm on September 15.

Curtis, Neb.—Lightning struck the Farmers Elevator Company's house causing small damage to the property.

Port Costa, Calif.—Fire destroyed with a loss of \$750,000 on September 13 the warehouse of Balfour, Guthrie & Co.

North Lansing, Mich.—Slight damage was done to the elevator of Christian Breisch & Co., here on September 13.

Owensboro, Ky.—The building of the Vita-Creme Feed & Milling Company was damaged by fire with a loss of \$20,000.

Clarkfield, Minn.—On August 22 fire did slight damage to the elevator of the Clarkfield Farmers Elevator Company.

Cedar Point, Kan.—On September 11 a wind-storm damaged the elevator building of the Stevens Scott Grain Company.

Kooskia, Idaho.—Slight damage was done by fire in the warehouse of the Idaho Grain & Tramway Company on September 4.

Lamkin, Texas.—The grain warehouse and corn mill of R. B. Onstott with quantity of feed burned. Origin of fire is unknown.

Rochester, N. Y.—Fire on September 21 damaged, to the extent of \$50,000, the warehouse of the Newman Bros. Grain Company.

Spartanburg, S. C.—Damages were done to the grain, hay and feed warehouse of C. L. Cannon & Bro. here on September 20.

Sadorus, Ill.—Slight damage was done to the elevator of the Sadorus Co-operative Elevator Company by fire on September 13.

Priam (Raymond p. o.), Minn.—Lightning caused a small loss to the elevator of the New London Milling Company on September 25.

Searles, N. D.—On September 7 fire destroyed the elevator of the Farmers Co-operative Elevator Company. Fire was of unknown origin.

Plover, Iowa.—The Hofert Grove Grain Elevator and contents burned. The contents included 1400 bushels corn, 7,000 bushels oats and about 10 tons coal.

Waco, Texas.—Fire damaged the warehouse of the Simmons Feed & Fuel Company with a loss of \$8,000. It contained a considerable quantity of feed and grain.

Myrtle, Idaho.—The Vollmer-Clearwater Company's warehouse containing 4,500 bushels grain burned recently. Both warehouse and grain were fully insured.

Kaylor, S. D.—Fire destroyed the Farmers Elevator here and 35,000 bushels grain. Lightning was the cause of the fire. The building and grain were covered by insurance.

La Crosse, Wash.—The warehouse here owned by the Tri-State Terminal Company together with its contents, grain owned by the Mikkelsen Grain Company of Spokane, Wash., burned with a loss of \$30,000.

Hay (Whitman County), Wash.—The elevator of the Mikkelsen Grain Company here burned on September 17 together with 10,000 bushels wheat. Spontaneous combustion caused the fire. Loss \$20,000; insurance, \$12,000.

Park River, N. D.—Fire on September 16 destroyed the mill and elevator of the Park River

Milling Company with a loss of \$80,000, mostly covered by insurance. About \$20,000 of the damage was done to the grain stored in the elevator.

Salt Lake City, Utah.—Fire damaged the feed, grain and seed store of the Porter-Walton Company, with a loss of \$50,000. The loss was partly covered by insurance.

Chicago, Ill.—Hay and grain to the value of \$50,000 were damaged by fire which threatened for a time to destroy the building occupied by the R. C. King Hay & Grain Company.

Cedar Lane (East Earl p. o.), Pa.—Fire destroyed the three-story feed warehouse of D. B. Weidman, coal, feed and lumber dealer, with a loss amounting to \$15,000, partly covered by insurance.

Hardin, Mo.—Fire on September 12 destroyed the elevator and contents of the Farmers Exchange. The elevator contained 7,000 bushels wheat. The loss amounted to \$12,000; insurance, \$10,000.

OBITUARY

BEVILLE.—M. B. Beville, a retired wholesale grain dealer of Louisville, Ky., died, aged 71 years. He had been ill for some time.

BICKEL.—Harry T. Bickel, a grain broker of Sioux City, Iowa, died from injuries received in an automobile accident. Mr. Bickel was formerly manager at Milwaukee, for the Flanley Grain Company. He had also been manager of the Western Terminal Elevator Company and resigned from that firm to go into the grain brokerage business on his own account.

BLOOM.—Moses J. Bloom, a member of the Chicago Board of Trade since 1881, died at his home in Lombard, Ill., a suburb of Chicago.

BODGER.—John Bodger, a veteran seed grower and head of John Bodger & Sons Company of Los Angeles, Calif., died at his home in Los Angeles, on September 29. His widow and four sons survive him.

CARRUTHERS.—James Carruthers died on September 19. He was for years in the grain exporting business at Montreal, Que., and was at the head of the firm of James Carruthers & Co., Ltd., but recently retired.

CHRISTENSON.—Hans Christenson died on September 15 at Vermilion, S. D., after a long illness. At one time he was engaged in the grain elevator business there.

CLARK.—Fred Clark died on September 3. He was one of the firm of Clark & West, grain dealers at New Vienna, Ohio. He was 49 years old.

CLAUSEN.—S. J. Clausen, a veteran grain shipper, died from apoplexy on September 24, aged 73 years, at Clear Lake, Iowa, his home. In 1882 he went to Clear Lake and began operating an elevator, and for 42 years continued in business there. He was a charter member of the Grain Dealers Na-

tional Association and an active member of the Iowa Grain Dealers Association.

DOBIE.—On September 8, LeRoy A. Dobie, manager of the Brooklyn office for W. D. Power & Co., passed away. Mr. Dobie had been in the hay commission business for over a quarter of a century. He started in the hay business with W. C. Bloomingdale in New York City, and later was associated with the old American Hay Company. When the latter company went out of business, he went with the Brooklyn Elevator & Milling Company of Brooklyn, N. Y., and remained with them until in 1914 he went with the W. D. Power & Co. Appendicitis was the cause of his death.

HUTCHINSON.—Charles L. Hutchinson, president of the Chicago Board of Trade in 1888, and vice-president of the Corn Exchange National Bank of Chicago, died on October 7, after a brief illness. He was the son of B. P. Hutchinson who ran a famous corner in September wheat the year Charles L. was president of the Board.

JOSEPH.—Albert Joseph, aged 86 years, died at Pataskala, near Columbus, Ohio. He was for years in the grain business.

LAU.—On September 6 August Lau, who had been in the grain, coal and livestock business at Klemme, Iowa, since 1896, died.

McCLEAR.—Byron James McCleary a pioneer grain merchant of Chicago, and in 1887 a director of the Board of Trade, died at his home in Chicago, Ill., recently. He had of late years been in the real estate business. His widow and four sons survive him.

MCNULTY.—Owen H. McNulty died recently. He was for years treasurer and general manager of the Thayer Grain Company of Thayer, Kan.

MILLER.—Andrew Miller, aged 73 years, died at Indianapolis, Ind. He was for a number of years in the feed and grain business. Two sons survive him.

NIEMANN.—William Niemann died recently from a heart attack. He was associated with the Busch & Niemann of Hartsburg, Mo.

PERRY.—Charles C. Perry, an old time member of the Indianapolis Board of Trade and at one time its president, died recently from pneumonia. He had been a member of the Board since 1891.

SEARS.—Nathan Sears died on September 30. He was associated with the Doane-Sears Grain Company of Omaha, Neb.

SHARPACK.—C. F. Sharpnack died suddenly from heart trouble on September 11, at Omaha, Neb. He was 44 years old. He was connected with the Lamson Bros. Omaha office.

SLAYBACK.—Charles E. Slayback, 42 years ago the president of the St. Louis Merchants Exchange, died at Chicago, aged 83 years. He was at one time in the grain business as C. E. Slayback & Bros. and later, Slayback, Smyth & Co.

SMITH.—Thomas J. Smith, formerly of the Kansas City Board of Trade, and associated with the Equity Union Grain Company of Kansas City, Mo., died at Norfolk, Neb., from apoplexy. He had been in the grain business at Norfolk for a number of years.

THILL.—Anthony C. Thill, a grain broker, associated with the Grain Marketing Company of Chicago, Ill., was run down and killed by an automobile on September 17.

WHEELER.—Albert H. Wheeler died on September 25 at Buffalo, N. Y. He was president of the Wheeler Monarch Elevator Company and had been in the elevator business for 55 years.

FIELD SEEDS

FIELD SEEDS

SEED LOANS TO BE REPAYED

Government officials expect that the Federal seed loans contracted by farmers in 1921 and 1922, amounting to \$1,153,069, are going to be repaid this year, owing to the excellent crops which were sold at good prices. Of a total of 32,000 accounts made by the seed loan offices in the Dakotas, Montana, Idaho and Washington, 66.5 per cent or \$2,425,879 has been repaid.

THE KANSAS CITY SEED MARKET

BY B. S. BROWN

An increasingly active movement in the Timothy seed market is reported by Kansas City dealers. Farmers from all parts of the state are confident, prospects are good for the coming season, and there is more money in circulation in the farming districts than in the past two or three years. Seed dealers are finding concrete evidence of this in the larger demands for the Timothy seed, and in the increased sowing of it this season.

Unusually heavy sales in Bluegrass seed feature

the business in all the local houses handling that commodity. Twelve out of 15 golf and country clubs in and about Kansas City are doing fall planting of Bluegrass seed on their links and club grounds. The general recommendation of fall sowing has resulted here in an education of people to its advantages. Cemeteries are also buying and sowing during this fall season a very considerable amount of Bluegrass seed. For lawns about private homes and estates the same tendency toward fall sowing is noted. Caretakers, gardeners, and owners of homes anticipate a slight spring planting of this seed, to fill in those places where the fall sowing may not prove effective. From the middle of July up until the present time this purchasing and sowing of the ever-popular Bluegrass seed has been noted.

Throughout the territory the purchase of fall rye is fairly good, considering the present market price. Local dealers are unusually alert in watching market tendencies in rye, and other grains, and the general anticipation is of a big market for the coming year. But at present the grain

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market is slow, though with the harvest season closing seeds are now moving out of the territory and buyers are in the field making their purchases. The quality and quantity of Alfalfa both show an improvement over last year, and there is a fair crop of Timothy seed. The crop of Red Clover seed, however, is small.

One dealer reports a very active movement of White Clover seed through his establishment this season, and states that the endorsement of fall sowing of grass seed has affected the sale of the Clover to such an extent that it is being purchased in larger quantities than in some time past.

COMPANY SPECIALIZES IN KANSAS FIELD SEEDS

Recent reports of rainfall in the Southwest have added to prevailing optimism regarding the outlook for pasture and feed crops, and the seed trade regards existing conditions as favorable. Crops of this sort have maintained a fair promise, and the fourth crop of Alfalfa looks fine in Missouri and eastern Kansas. Farther west in the latter state dry weather has cut its growth somewhat.

Newly seeded Alfalfa is doing nicely as a general rule and a substantial acreage was put in this fall. While weeds and grasshoppers are reported injuring fresh stands in limited areas of eastern Kansas, this is a strictly local indication and not of importance insofar as the general situation is concerned.

One of the photographs shown herewith is indica-

as the demand became so great for others to plant the seed, he went into the seed business along with his other interests.

Still later, as people began to learn of the good quality of field seeds produced in the district by reason of climatic conditions, the demand increased until it became a business all of its own and Mr. Nolan, who had had a wide experience in agricultural development, entered the business with Mr. Finnup, thus forming the F. & N. Seed Company, which organization now handles a full line of all field seeds grown in that locality.

They have just finished purchasing and equipping a larger and more up-to-date plant in which to carry on the enterprise, and are making tests of new varieties of field seeds constantly. The seeds are brought direct from the farms to this new plant and are put out to the buyer in the best possible condition. The company is shipping them direct to the farmers in 15 different states at present.

RUSSIA IMPORTS SEED

Last month mention was made in our columns that a Russian shipment of seed had been received in this country for testing purposes. Russia has now placed an order, through its Agricultural Agency in New York City, for 10 bushels each of Minturki and Minhardi Winter wheats, Mindum, a Spring Wheat, and Minota oats and Minsturdi barley, from the Minnesota Experiment Station. All these strains originated at the Minnesota station

absorbed, there was little or no increase in stocks, and as a consequence holders generally remained firm in their views. In the instance of foreign seeds this firmness was largely traceable to unsatisfactory weather and crop advices from producing countries, the disappointing yields and willingness of other buyers to pay better prices made it almost impossible to secure firm offers of noteworthy quantities on a workable basis. As a consequence, import business has been extremely dull. Just at this writing a good export business is reported in Bluegrass and Red Top, mainly to the United Kingdom.

Timothy continued in good demand early in the month and with the interior movement checked by heavy rains the local spot market was firm at 7 3/4@8 cents, compared with previous sales at as low as 7 1/2 cents. The firmness of holders was also traceable partly to large exports from this port to Germany, totaling 2,875 bags. Subsequently both domestic and foreign demand slackened and an easier tone developed, the general spot basis dropping to 7@7 1/2 cents. According to advices from Germany, the prospect for the crop there is by no means as good as it was a year ago and the surplus carried over from the previous crop has been greatly diminished.

Red Clover has advanced sharply, mainly owing to the strength in western markets, and also reflecting bullish advices from abroad and the strong views of foreign shippers. The many reports of unfavorable crop prospects in our large producing sections were confirmed by the official report from



FIELD OF SWEET CLOVER BELONGING TO E. G. FINNUP, IN KANSAS

tive of how Sweet Clover is grown in Kansas. It was taken some time ago and shows Hon. William Jennings Bryan in the party. The picture was taken on one of the farms of E. G. Finnup, and he is the large man standing next to Mr. Bryan on his wearing a dark suit. Mr. Finnup is a member of the F. & N. Seed Company of Garden City, Kan.

The other picture was taken last season, 13 years later than the first one, and also is on one of Mr. Finnup's farms, with the owner standing next to the engine. This Clover made a yield of 14 1/2 bushels per acre.

In addition to being interested in an active way in civic affairs of his state, Mr. Finnup takes great pains with his farm and is active in the above named company. The F. & N. Seed Company's business is, in fact, carried on under the direct supervision of its owners, which includes John W. Nolan along with E. G. Finnup. It was founded by the latter, who has been a resident of Garden City for 44 years.

Some years before Sweet Clover was generally known as the great soil builder that it has proven to be, Mr. Finnup realized that it had wonderful possibilities as a feed for cattle and gave his attention to growing it on a large scale on his own ranches and farms around Garden City. Later, while larger receipts of certain items were well

and have proved to be disease resisting and high yielding.

The seeds will be exported to Russia where they will be given thorough trials under conditions prevailing in that country.

HIGHER PRICES CHECK BUYING IN NEW YORK SEED MARKET

BY C. K. TRAFTON

For a short time following the writing of my last review climatic conditions continued favorable over a wide area. There were further liberal and widespread rains which put the soil in good condition for fall planting, arousing expectations of a good demand for seeds from planters. As a consequence, for the time being, large local distributors continued to report a good average volume of business embracing a fairly general line. Latterly conditions have been less satisfactory, reports as to business being "spotty." In a few cases sales continued of fairly good volume, but as far as other varieties were concerned business was seriously hampered by the sharp advance in prices, the much higher figures current forcing all but the largest buyers out of the market. Nevertheless, as arrivals of many varieties continued small, while larger receipts of certain items were well

Washington, which placed the condition of the crop at only 71 per cent, compared with 76.9 a year ago. As a consequence prices advanced sensational in Toledo and this market quickly responded. The situation here was also strengthened by further depletion of stocks, as arrivals were only 110 bags from Chile, compared with last month's total of 930 bags. At the same time seed has been moving out on old orders and in addition it is claimed that seed held here for European account has been ordered shipped back and other lots have been repurchased by foreign owners. Thus far, however, these lots have failed to appear in the export movement. One European authority summarizes conditions as follows: England's surplus is practically nil. Hungary, Roumania and adjacent territories report poor prospects and total failures in some sections. Bohemia's prospects are poor and the Government is placing an embargo on the export of Clover until such a time as can be determined with certainty what amount, if any, the country can spare. Germany cannot be reckoned with as a supply for seeds, as what quantities she will have to spare will find ready home demand. Italy is the most favored as far as crop is concerned.

Alsike has been in rather better demand owing to the sensational advance in Red Clover, which



MORE RECENT VIEW OF SWEET CLOVER BEING HARVESTED ON FINNUP FARM NEAR GARDEN CITY, KAN.

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has resulted in a striking increase in the price difference. In short, Alsike has advanced only 2 cents during the month, against about 8½ cents for Red Clover. The advance in Alsike is also partly traceable to bullish advices from Canada, where the crop is little if any more than half the size of last year's.

Crimson Clover continued in slow demand early in the month and as arrivals were temporarily much larger the spot basis was easier, some lots being available at 6½ cents duty-paid. The easier tone was also partly a reflection of continued offerings from France at 5½ cents c. i. f. and from Germany at as low as 3½ cents, but even at such low levels buyers refused to make speculative purchases in expectation of securing profits in the spring. Later, largely because of the striking advance in Red Clover, the tone became firmer, current quotations being about the same as those ruling a month ago—6.50@7.50 cents duty-paid. Another factor was the sharp falling-off in foreign arrivals, which made the total for the month only 2,840 bags, compared with 5,910 bags during August.

White Clover has also been strong, the spot basis advancing about 4 cents, or to 48@50 cents duty-paid for the foreign variety. This was partly in keeping with advances elsewhere and also owing to a growing conviction that the domestic production would be inadequate. The latter also served to stimulate demand for foreign seed and some business was reported at as high as 43 cents c. i. f. for old crop and 48@50 cents c. i. f. for new crop. Arrivals were about 365 bags, against 200 during August.

Alfalfa has been virtually neglected in this market, the indifference to the foreign variety demonstrating clearly that the domestic production was generally regarded as sufficient for all this year's requirements. Early in the month a slightly easier tendency was noted among some holders who became more eager to sell at 19 cents duty-paid, but in the majority of cases the basis has remained unchanged at 20@21 cents throughout the month. The lack of general pressure to sell is not surprising in view of the advance in other varieties and also the continued meager stocks here, the arrivals being only 330 bags—all from Europe—compared with the August total of 720 bags. Moreover, Argentine shippers continued indifferent about selling here, as our basis was too low to make this market attractive. Early in the month a few small offers were reported at 16½@17 cents c. i. f. Later offers were virtually non-existent. It was stated that owing to light stocks, poor crop developments, and the good home demand the spot basis in Buenos Aires had advanced to 15½@16 cents. In addition, the advance in Argentine exchange militated against making firm offers to this market on anything like a workable basis.

Orchard Grass was inactive and nominally unchanged at 17½@18½ cents. As the European market has been far above our basis, virtually nothing was heard of firm offers. However, about 3,560 bags were received, including over 3,000 from Denmark, but these had evidently been bought months ago, when shippers' prices were much lower. Apparently they were promptly absorbed, as they had no effect on the spot market.

DENMARK SEED ACREAGE

The area under seed cultivation in Denmark this year is considerably less than last, or for 1919, when seed cultivation reached its highest point. The decrease was greatest in root crop seeds. The areas devoted to field seeds decreased as follows: Red Clover, 17 per cent; Lucerne, 55 per cent.

Areas devoted to leguminous field and ordinary grass seed decreased 39 per cent under the 1923 acreage.

SEED MARKET AT BUFFALO

Clover market ruled irregular this week, says Southworth & Co., of Toledo, Ohio, under date of October 11. The future trend will depend largely upon movement of the new crop. Toledo usually acts as host to a large amount of seed. Receipts to date have been very light on account of late movement. Receipts this week 427 bags, shipments seven bags. Prime inspected this week 70 bags. Season to date 109 bags.

SEED TESTING RULES

At the recent meeting of the International Seed Testing Congress held at Cambridge, England, the following rules were formulated and are now presented for the consideration of seed analysts.

Purity Analysis

In analyzing seeds of grasses only glumes containing caryopses will be considered pure seed.

In analyzing seeds of other agricultural plants, seeds will be considered pure seed without respect to the extent of development.

The latitude allowed for each of the component parts, pure seed, other crop seed, weed seed, and inert matter will be two-tenths of 1 per cent plus 20 per cent of the lesser part. For each of the deter-

minations the sample will be considered as being made up of two parts:

- (a) The part being considered.
- (b) The three other parts combined.

Viability Tests

Viability tests will be made under conditions best adapted for the kind being tested. Only seeds giving normal sprouts will be considered germinated.

Hard seeds of Leguminosae will be considered viable seeds but the percentage found will be stated.

The latitude allowed will be as follows:

Percentage of germination	Percentage of allowable variation
90 or over.....	6
80 or over and less than 90.....	7
70 or over and less than 80.....	8
60 or over and less than 70.....	9
50 or over and less than 60.....	10
40 or over and less than 50.....	10
30 or over and less than 40.....	9
20 or over and less than 30.....	8
10 or over and less than 20.....	7
0 or over and less than 10.....	6

Purity analyses and germination tests will be repeated at the request of interested parties.

SEED LOANS IN NEW MEXICO

Only a few seed loans are being asked by dry land farmers of New Mexico to enable them to plant fall wheat and rye. The seed loan office at Albuquerque, N. Mex., will remain open until January, 1925. P. J. Reed is in charge.

THE MILWAUKEE MARKET

BY C. O. SKINROOD

The huge crop of Alfalfa in Wisconsin the past year has been a powerful impetus in a movement to carry this crop still farther into popularity among the farmers of the state. The mark which has been set tentatively by the Wisconsin College of Agriculture is 400,000 acres for 1925, as compared with less than 300,000 acres harvested in the past season.

L. F. Graber, specialist in Alfalfa at the State College of Agriculture, has sent out a statement to farmers showing that 87 per cent of the hay raised in Wisconsin is low protein hay and only 13 per cent of the forage comes under the high protein schedule. He declares that Wisconsin is an immense buyer of mill feeds, bran, etc., to make up this lack of protein, and that this error in hay raising is costing the state at least \$28,000,000.

The Alfalfa crop is emphatically the crop to supply this protein, Mr. Graber says, as it has proven its value, it meets Wisconsin conditions, it has high feeding value, it has soil enrichment, drought resistance and strength to eradicate weeds.

Mr. Graber puts the situation in a nutshell by asserting that even the average yield of Alfalfa contains six times as much digestible protein per acre as Timothy, four times as much digestible protein to the acre as Clover and Timothy hay mixed and twice as much digestible protein as the Clover hay alone. He declared further that the dairy farmer needs more hay protein than any other kind of a farmer and that Alfalfa is the ideal solution of the problem.

Through the process of experiment in the state in all sections, it is now possible to give the farmer

definite scientific information on how to grow Alfalfa, Mr. Graber asserts, and in that way the chances of success are greatly increased.

F. B. Morrison of the Wisconsin College of Agriculture is also actively promoting Alfalfa in Wisconsin by speaking at various meetings and conventions wherever farmers may hear this message. He advocates Alfalfa and soy beans to provide legumes, although he said the soy beans are not as good, ton for ton, as Alfalfa.

Experiments made at the College of Agriculture at Madison show, according to Mr. Morrison, that Alfalfa is a valuable feed for brood sows. He found after tests that growing pigs made as good gains on a ration which contained Alfalfa without dairy by-products as when the dairy products were fed.

A sharp advance in the price of Clover seed and a decline in the market for Timothy seed are the principal features in the seed market for the last month. The big gain in the seed market on the eve of the heavy marketing of the year's crop has been very impressive to Milwaukee seedsmen, indicating that the seed situation is very strong and that a rising market is likely to prevail for much of the coming selling season.

The Courteen Seed Company reports that conditions are somewhat confused in the seed trade at the present time and that it is hard to tell as yet just what the Red Clover crop will be despite the forecast of a smaller yield as indicated by the sudden advance in Red Clover prices. The Courteen company says that Clover hulling is just barely started in Wisconsin and will not be general for at least two weeks. For these reasons the Courteen company can not give detailed prospects on the seed crop at this time.

The Clover seed pods have not filled properly and there will be a small outturn of seed. This is the reason assigned by the North American Seed Company for the sudden and spectacular advance in the prices of Red Clover seed recently. The North American reports that the season is very late. Threshing will be considerably later than usual and it is still too early to give an accurate estimate of the actual yields. But, nevertheless, a small crop is believed assured.

The Timothy crop is expected to be fully up to the average, the North American company says. In fact this is believed to be the bright spot in the seed situation. This is fully shown, the company adds, by the decline in the Timothy seed market. The present condition of the market is called steady to slow, indicating that any further important declines in the market are not expected.

One of the significant developments this fall, the North American reports, is that the offerings of seeds are small, in fact they are much less than normal. This is partly ascribed to the late season, but even more so it is chargeable to the small yields, and the essentially small supply, which means smaller receipts all season.

The North American company looks for a very strong market in seeds, in fact it would not be surprised at advances later in the season. One of the big factors in the seed advance, it is said, is the strong market for grains. This means a strong seed market in sympathy, the company contends.

The Alfalfa yield is reported as good and the seed is also of a very nice quality. However, the price of Alfalfa is expected to be maintained on a strong basis, largely in line with the extraordinary

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Soudan Grass, Millet, Rape.

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high prices which are being asked now for Red Clover seed.

The North American company quotes Red Clover all the way from \$26 to \$30. Timothy rules from \$6.50 to \$7; Alfalfa is given a range from \$19 to \$22; White Clover is selling from \$35 to \$45 and the Sweet Clover is running from \$14 to \$14.50.

The high prices of Red Clover seed are expected to shift a large part of the seed demand over into Alfalfa. This will be a powerful factor in helping to establish a higher market on Alfalfa seed, the North American company says.

IMPORTATION OF SEEDS

The Seed Laboratory of the Bureau of Plant Industry reports the following imports of forage plant seeds permitted entry into the United States under the Seed Importation Act:

Kind of seed	September 1924		July 1, '24 to July 1, '23	
	Pounds	1923	Pounds	1923
Alfalfa.....(1)	233,400	1,122,700	2,961,400	2,848,700
Canada bluegrass.....	5,700	21,900	10,000	21,900
Alslke clover.....	544,500	1,833,300	827,400	2,029,200
Crimson clover.....(2)	1,008,400	2,208,700	2,915,900	4,798,400
Red clover.....	90,000		165,600	
White clover.....(3)	79,400	73,200	182,300	113,100
Clover mixtures.....		2,600		2,600
Meadow fescue.....				100
Grass mixtures.....	100		100	100
Broom-corn millet.....		50,000	31,100	100,000
Orchard grass.....	65,200	13,000	97,700	13,200
Rape.....(4)	150,000	497,700	339,600	519,500
English ryegrass.....	147,300	83,400	344,800	238,300
Italian ryegrass.....	87,600	75,000	143,100	88,300
Timothy.....			100	
Hairy vetch.....(5)	302,900	53,900	619,900	189,400
Spring vetch.....	138,600	170,400	247,800	422,700
Bentgrass.....	3,700	4,900	32,400	21,200
Biennial white-flowered sweet clover.....	1,700	11,300	1,700	75,400
Biennial yellow-flowered sweet clover.....			11,000	
Crested dog's tail.....			8,900	6,500
Chewings fescue.....	122,500	334,000	424,700	484,100
Other fescues.....	69,600	29,300	173,900	46,700
Rescue grass.....				1,500
Rhodes grass.....			2,300	2,200
Rough-stalked meadow grass.....			2,200	
Sweet vernal grass.....		300		300
Tall paspalum.....		4,400	4,500	4,400
Velvet grass.....		11,300		11,300
Yarrow.....				500

(1) 77,200 pounds from Argentina; 65,000 pounds from France; 51,700 pounds from Italy; 22,000 pounds from Germany; 9,500 pounds from Canada; 8,000 pounds from South Africa.

(2) All from France.

(3) All from Germany, except 15,000 pounds from England.

(4) All from Holland, except 29,900 pounds from Japan.

(5) All from Germany.

A one-story addition has been erected to the main store of Wood, Stubbs & Co., of Louisville, Ky.

A new seed company has been organized at La Harpe, Ill., by C. K. Todd and Ira Kilgore & Son.

The capital stock of the Filer Seed Company of Filer, Idaho, has been increased from \$20,000 to \$50,000.

A warehouse costing \$25,000 is to be built at Bozeman, Mont., for the Everett B. Clark Seed Company.

Bunton & Huber Company was recently organized at Louisville, Ky., and will conduct a seed business.

The Idaho Seed Company of Caldwell, Idaho, has changed its name to the Lilly Seed Company. F. L. Lilly is manager.

J. R. Kern has resigned as manager of the Barteldes Seed Company of Denver, Colo., and is succeeded by W. P. Stubbs.

The interest of G. A. Chambers of Riverton, Iowa, in the Sherman-Chambers Seed Company has been sold to his partner, W. G. Sherman.

The Aggeler & Musser Seed Company of Los Angeles, Calif., is to establish offices at Brawley, Cal. E. D. Nixon will be in charge.

Richard Williams is now in the seed brokerage business at Chicago, Ill. He was formerly with the Illinois Seed Company of Chicago, Ill.

A branch has been established at Lomax, Ill., by the E. G. Lewis Seed Company of Media, Ill. It will specialize there in buying and handling seed corn.

The bankrupt plant of the Wilder Equity Association at Wilder, Idaho, has been bought by the Idaho Seed Company of Caldwell. It is being remodeled for immediate use.

A new seed business is to be conducted at Denver, Colo., for the Mountain Valley Seed Company. The company will act as importers and wholesalers of garden seed, etc.

The Cincinnati Seed Company of Cincinnati, Ohio, has been bought by the J. M. McCullough's Sons Company. Robert O. Strong, former president of the Cincinnati firm, is now with the McCullough organization.

The name of the Fottler, Fiske & Rawson Company of Boston, Mass., has been changed to the Fiske Seed Company. Mr. Fottler retired last

spring, selling his interests to his associates. The change in name does not include any change in management.

The name of the Magnolia Seed & Floral Company of Dallas, Texas, has been changed to the Magnolia Seed Company and the capital stock has been increased from \$6,000 to \$10,000.

A new seed firm has been established at Little Rock, Ark., as the Bass-Webster Seed Company. W. E. Bass has been manager for 15 years and Daniel Webster has been in charge of the seed department for seven years.

The American representation of the Hommo Ten Have's Seed Company, Scheemda, Holland, has been given to Harry L. Holmes of Canton, Ohio. He was formerly with the Holmes Seed Company of Harrisburg, Pa.

A four-story brick building at Spokane, Wash., has been bought by the Inland Seed Company. The company was established on a small scale in 1910 and has gradually extended its business so that enlarged quarters were made necessary.

Capitalized at \$10,000, the Purcell Seed Company has been incorporated at Evansville, Ind., to deal in seeds, grain, flour and feed. Guy M. Purcell, C. B. Dunnington, F. R. Wilson, S. J. Alexander and S. J. Purcell are interested.

The Stewart Seed Store of Omaha, Neb., has been bought by C. A. Ranney. Mr. Ranney was formerly connected with the Wertz Seed Company of Sioux City, Iowa, and at one time was with the Albert Dickinson Company of Minneapolis.

Articles of incorporation have been filed by the Michigan Farm Bureau and Seed Service at Lansing, Mich. It will operate as a non-profit concern. Michael Moon is president; Fred Schmidt, vice-president; C. S. Brody, secretary-treasurer.

COAL

ANTHRACITE PRODUCTION IMPROVES

The 1,900,000-ton mark was passed the week ending September 27 in anthracite coal, with a production of 1,942,000 net tons. This shows an increase of 91,000 tons.

This is based on the 37,130 cars reported loaded by the principal anthracite carriers, and include allowances for mine fuel, local sales, and washery and dredge coal.

COAL HANDLING MACHINERY*

Coal handling machinery for the retail coal dealer classifies itself into four major divisions. These are, first, the portable belt conveyor for storing out coal or loading into trucks from bottom dump cars or for the reclamation of coal from stock piles. Second, wagon loaders, which are generally used for the loading of trucks from ground storage. Third, the locomotive or crawler crane which is popular for the larger yard where minimized breakage is one of the essential features. The fourth method is that of the coal pocket class of machinery.

The first division, or the portable belt conveyor, is becoming increasingly more popular with retail coal merchants throughout the United States due to the fact that it is a real universal machine. By that I mean it can be used for handling coal, sand, gravel, coke or other abrasive materials without injury to the material it is handling and without adjustment on the part of the machine. As in the case of the mine loading booms, it carries the coal to its destination instead of dragging it. Its low point at the loading end permits its use on side tracks, in small yards, for delivering direct into trucks and also for storing out.

In speaking of this particular type of machine I have in mind the N. J. Dreucker Company, coal retailers in Chicago. Albert Dreucker, the general manager, has gone into the economy of handling coal by mechanical means thoroughly and the statements he makes regarding a portable belt conveyor and loader recently pressed into service at his yard are extremely enlightening.

I will read Mr. Dreucker's statement as it was given to me because he cites a great many figures.

"There is no question that the Cub loader is a big time and money saver over the hand method. We have used one for over six months and now consider it an absolute necessity in handling our business satisfactorily. We deal principally in brick, cement and lime, but we handle enough coal, sand and gravel to keep between four and seven 7½-ton trucks busy.

"We use the Link-Belt Cub loader for elevating torpedo sand and run-of-mine coal into trucks. Of course the volume of our work varies greatly,

*Excerpts from address given by Howard McNeal, engineer for the Link-Belt Company of Chicago, before the annual convention of the Illinois and Wisconsin Retail Coal Dealers' Association at Lake Delavan Wis.

THE AMERICAN ELEVATOR AND GRAIN TRADE

but fast and dependable delivery service is essential at all times. Loading is the king pin of delivery work, and the place where money is made or lost. If loading is slow, we lose money, and in case of dissatisfied customers, actual orders.

"Rapidity of operation is one of the loader's outstanding advantages. It is much faster than any other means with which we are acquainted. Our average load of six cubic yards, nine tons, is placed on the truck in 20 minutes, using two men. This includes the time spent in placing the machine, getting it ready for work, and cleaning up the pile after loading. Altogether the truck is not detained the full 20 minutes. The total cost per load has been calculated to include interest, depreciation, power cost, maintenance, time, labor, and all other cost items, and has been found to be slightly in excess of 54 cents. Since the average load contains nine tons, the cost per ton is only 6.1 cents.

"When we used hand loading we had to put five and sometimes six men on the job to load a truck in 25 minutes. Figuring labor costs at 50 cents an hour, the cost per load was \$1.042, which amounts to 11.6 cents per ton. The loader, therefore, saves 49.4 cents per load or 5½ cents per ton, in handling costs alone. There is an additional saving, due to the reduction in idle time of truck and driver during loading. At 10 minutes per load this amounts to 58.3 cents for the truck's time and 12.5 cents for that of the driver.

"Adding the saving of 49.4 cents in handling costs we have a total saving of \$1.202 per load, or 13.4 cents per ton. Since 1,000 truck loads, or 9,000 tons, are handled annually the loader saving is \$1,202 a year. This is an annual return on the investment of 197 per cent, which means that the loader is a mighty good business investment.

"The above calculations do not include the additional savings in busy seasons due to the fact that the trucks are not obliged to stand in line waiting to be loaded. When hand loading this is certain to occur when six or more trucks are used on this work at one time. While no record was kept of this loss it undoubtedly ran into real money."

There are several different types and sizes of bucket wagon loaders. The type best suited to your needs is determined by the kind and size of coal to be handled. And these loaders can be equipped with stationary or shaker screens, or with swivel chutes, and are of the hand feed or self-feeding types.

Just what type of bucket loader is needed can best be determined by the total number of trucks you must load and deliver in a given length of time, say one day, one month or one year. If your delivery totals something like Mr. Dreucker's, 1,000 loads per year, which is about 80 loads a month which average must of course take care of peak months such as December, January and February when the delivery will probably total 150 trucks a month, the bucket loader most suitable to meet these requirements would be one that would handle approximately 45 cubic feet per minute. This, as you know, is a little more than one ton per minute. The average truck hauling from three to five tons, this type of machine will permit you to load a truck in from five to seven minutes.

There are yards, and perhaps some of you gentlemen have that kind, where switch tracks go right through the yard, or where your ground is not paved with either planking or concrete and you are bothered with mud during the rainy season. In

such cases the wheel or implement type of loader would be one not easily and readily portable. To move the machine in the mud would be irksome and trying, and to take it from one car to another or from one bin or storage pile to another across railroad tracks would necessitate either pulling it to a regular crossing or laying planks over the rails. It is under such conditions that a loader equipment with the crawler tread mechanism is most appreciated. The crawler tread enables a loader to traverse railroad tracks, over piles of loose material, or through reasonable mud, under its own power, without extra effort. And here we again come to the item that makes your worst competitor, the excessive overhead on equipment used. If you have such a yard and are using an implement wheel type of loader the operation expense and the total charges you must fix to that machine make it of questionable value—at least compared with what another and more efficient crawler tread machine would return in dividends.

Coal pockets are another type of equipment that depends very largely upon individual conditions and requirements for the particular size, capacity and kind best suited to meet requirements. It can be said, in all sincerity, however, that the coal pocket for the storage of coal and for the facilitating of truck loading has proven enormously profitable for a large number of retailers throughout the country. It is true that this equipment involves a large expenditure of money, but it is almost always something that will pay for itself in a surprisingly short time.

The modern coal pocket is of concrete or wood stave silo construction, and the mechanical equipment which handles the coal is usually an elevator or an elevator and scraper flight conveyor.

For Sale

MACHINERY

OIL ENGINES FOR SALE

Twenty-five horse Y; 35-horse Primm. A. H. McDONALD, 547 W. Monroe St., Chicago, Ill.

FOR SALE

Eighty-horsepower Ames Steam Engine with direct connected 50 K. W., D. C. current, 240 volt Generator. A-1 condition. FARMERS' CO-OPERATIVE ELEVATOR, Fowler, Mich.

WANTED TO BUY FOR SALE

Pulleys, 1,000; all sizes, solid cast iron, wood and steel split. Elevator belts and buckets and supplies. STANDARD MILL SUPPLY COMPANY, 501 Waldheim Building, Kansas City, Mo.

MACHINERY MUST BE SOLD

Complete outfit of machinery for shelling, drying, cleaning and grinding seed corn, capacity 60 to 100 bushels an hour. Two-hole Eureka Corn Sheller, manufactured by the Joliet Mfg. Co. Hess Ideal Dryer No. 3. Cracked corn cleaner and grader, manufactured by the Huntley Mfg. Co. Fifteen-horse steam engine and boiler, together with an elevating and conveying apparatus to make plant work automatically. Business discontinued. SUFFOLK CO-OPERATIVE ASSOCIATION, Mattituck, N. Y.

BARGAINS IN ELEVATOR EQUIPMENT

Motors, all sizes.
Grain tanks—steel.
Oats clipper.
Grain cleaners.
Car pullers.
Power shovels.
Grain dryers.
Boilers, pumps, etc.
Belting, buckets, pulleys.
Gears, shafting, etc.
Hopper scales.
Track scales.
Send in your requirements. NEW WRECKING COMPANY, 221 S. New Jersey St., Indianapolis, Ind.

OIL ENGINES FOR SALE

60-horsepower Fairbanks-Morse.

50-horsepower Otto.

25-horsepower Fairbanks-Morse.

50 other sizes.

A. H. McDONALD, 547 W. Monroe St., Chicago, Ill.

FOR SALE

One Eureka-Ellis Grain Drying System, 100 bushels per hour capacity, almost like new for \$450 f.o.b. cars, worth \$2,500. Will pay for installation on first five cars of new corn. THE WORLEY BROS. COMPANY, Bainbridge, Ohio.

ELEVATORS AND MILLS

FOR SALE

Elevator at Tuttle, Oklahoma. Inquire BARTELDES SEED COMPANY, Lawrence, Kan.

AUCTION SALE

MILL AND ELEVATOR

of the

FARMERS' UNION CO-OPERATIVE ASSOCIATION

at

CRETE, NEBRASKA

Nov. 1, 1924 at 1:30 P. M.

Mill is constructed of vitrified hollow tile; elevator 32,000-bushel capacity; structure is three story; mill capacity 50 barrels daily; equipped with up-to-date feed grinder. Built in 1919.

This mill has an excellent outlet, being located on the main line of the Burlington Railroad, and a branch of the Missouri Pacific Railway.

This property will be sold regardless of price.

Terms made known on date of sale.

FARMERS' UNION CO-OPERATIVE ASSOCIATION OF CRETE, NEB.

By order of Board of Directors.

Miscellaneous Notices

SALES MEN WANTED

To sell "Potash-Marl," a natural fertilizer used by leading growers and estates. Liberal commission. POTASH-MARL, INC., 15 East 40th St., New York City.

FLOUR AND MILL FEEDS

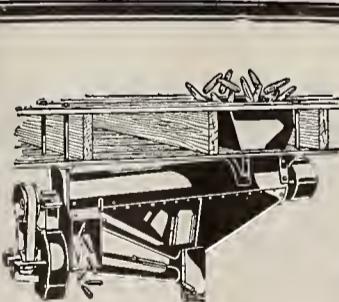
Mixed cars of flour and mill feeds in 100-pound sacks are our specialties. Would like to send you a trial order to convince you of the superiority of our products. ANSTED & BURK CO., Springfield, Ohio.

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An up-to-date flour, feed and building material business for sale; 60,000-bushel grain elevator, 20-car capacity sand elevator and 300-ton cement coal silos. Modern machinery, electric elevators and seed-cleaning machinery. Situated on C. & N. W., Soo Line and C. M. & St. P. Railroads. Reason for selling, leaving the city. HELMER MILLING COMPANY, Fond du Lac, Wis.

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Our entire plants of two flour mills and storage, with 600 barrels' combined capacity, at Fremont, Neb., a junction point, 10,000 population, situated on the C. & N. W., C. B. & Q. and Union Pacific Railways. First-class transit privileges covering enormous territories. This is a rare opportunity to secure the best milling location, in best little city in central west. For further information come to Fremont and investigate. FREMONT MILLING COMPANY, Fremont, Neb.



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Forty-Third Year

pacities of this equipment range from 25 to 50 tons per hour. Where greater capacity than this is required and where speed is essential, so that cars may be gotten off the tracks quickly and demurrage eliminated, the installations of this type use a much heavier steel type of conveyor chain and one that usually has a fairly long pitch. In order to obtain these large capacities and still maintain slow moving machinery the Peck, pivoted bucket carrier is universally adapted for the handling of coal. This type of equipment permits the coal to be dumped into the carrier, in which it is not disturbed until finally discharged at its destination overhead. This type of conveyor bucket helps wonderfully to eliminate breakage of coal.

One of the most successful coal pockets with which I am familiar is the one recently erected for the Rubel Coal & Ice Corporation, Brooklyn, N. Y. And while Brooklyn is a long distance away, the pocket is comparable to those erected in this section. This company has 15 or 16 pockets, either in operation or in the course of construction, and they have adopted the concrete silo construction as standard. They have also standardized on machinery equipment in order that repairs may be universal and that maintenance costs be minimized.

The coal is received at this pocket in cars and is discharged into a track hopper. It is then delivered by means of an apron feeder to the lower run of the pivoted bucket carrier. This Peck carrier has a capacity of 70 tons an hour and is arranged to circle the pocket. The carrier takes the coal overhead and discharges it through suitable lowering ladders to the various bins. With this arrangement the entire handling unit, from the time the coal is discharged into the track hopper until it is ready to be placed in the truck is the work of one man. With this type of Peck carrier for the elevation of coal to the bins various cost computations have been made. From these

calculations we have found that handling costs seldom exceed 3½ cents the ton, and are frequently lower. Certainly when economy of this kind can be obtained, together with the minimizing of labor dependence and the elimination of all storage hazards or excessive breakage, the coal pocket would seem to be a most profitable investment for any dealer having a reasonably large volume of coal to handle throughout the year.

TRANSFER CHARGE REASONABLE

The Interstate Commerce Commission in a ruling handed down just recently found the allowance of 25 cents a ton for transferring bunker coal from cars to vessels at New Orleans to be reasonable. The Louisville & Nashville was defendant in the case, brought by the New Orleans Coal & Bisso Towboat Company, and had allowed but 11 cents for the services. It indicated that it was willing to make a retroactive allowance of 25 cents. The Commission ordered that the difference of 14 cents a ton be paid.

CAR SUPPLY VITAL

In its review for the week ending October 10, *Coal Age* says in part:

"The bituminous coal market continued to forge ahead during the last week. The improvement is more marked in some fields than others. Baltimore is still in the throes of the depression that descended upon the industry last spring. A most encouraging development, however, is the display of strength in the New England market, where pessimism reigned so long. Business is so brisk in Western Kentucky that it is difficult to keep track of prices, they change so rapidly. In the other centers the upturn is more gradual. Car supply has become a problem already in fields served by the Chesapeake & Ohio, Norfolk & West-

ern and the Louisville & Nashville as in the Birmingham district. While the pace of general industry is irregular, the trend is definitely upward and prospects are getting better, particularly in such basic industries as iron and steel as well as textiles. A notable feature of this expansion is seen in the huge orders for equipment being placed by the railroads, \$60,000,000 having been spent for this purpose during the last month by carriers in this country."

New coal bins have been built to the elevator of the Iowa Falls Co-operative Company of Iowa Falls, Iowa.

The retail coal, grain and seed business of J. H. McNeill at Erie, Ill., has been bought by A. D. McNeill.

The business of the Wilson Lumber, Coal & Grain Company at Slaton, Texas, has been bought by the Panhandle Lumber Company.

The coal and grain business of the Farmers Grain & Fuel Company at Veblen, S. D., has been taken over by Adolph Hendrickson.

The coal and grain business of Albert P. Guise & Co., at Deedsville, Ind., has been taken over by W. T. Allen and W. N. Mantle, who will operate as the Deedsville Milling Company.

The Garry Grain & Fuel Company of Eagle Grove, Iowa, has been taken over by the recently organized Joyce Grain & Coal Company. F. M. Joyce is organizer of the company, which will conduct a retail grain and coal business.

The Paul E. Smith Grain Company has been organized at Lodgepole, Neb., by Paul E. Smith and has bought the elevator and coal sheds of the Lodgepole Farmers Union Co-operative Company, which recently was listed as having filed a petition in bankruptcy.

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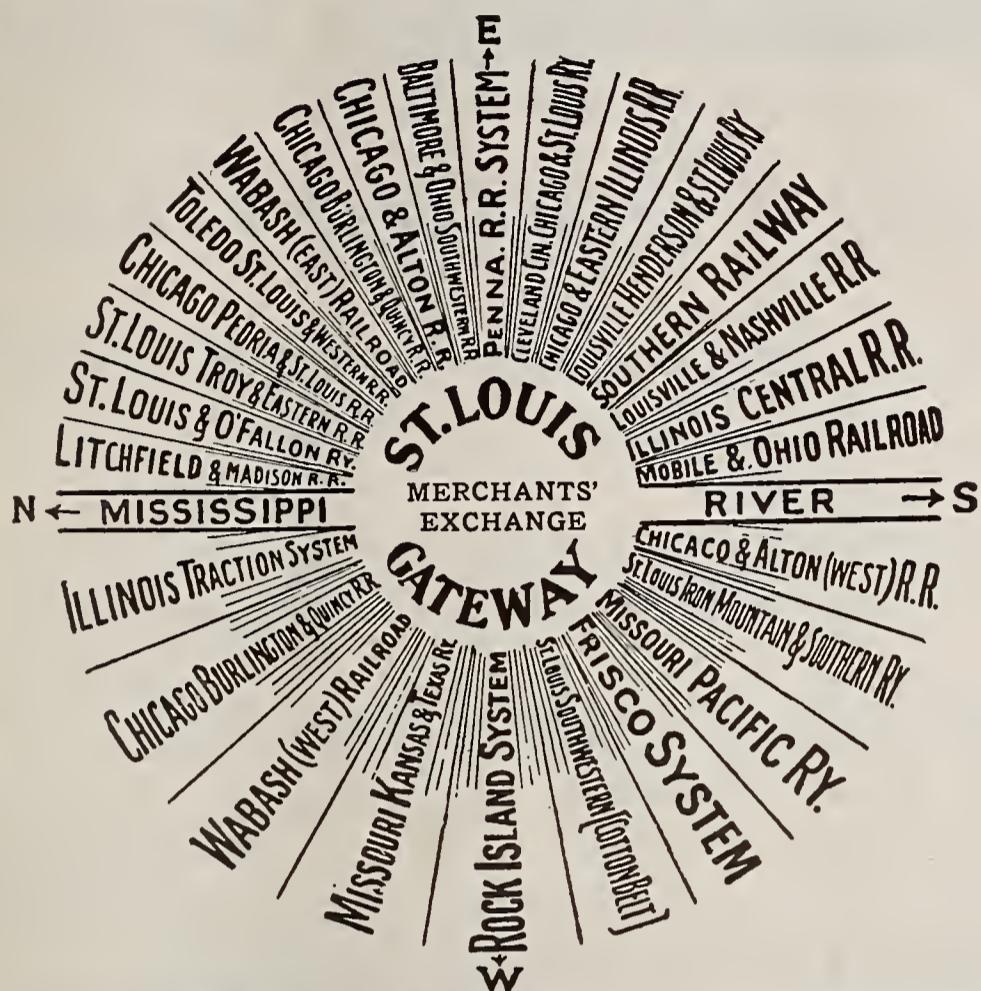
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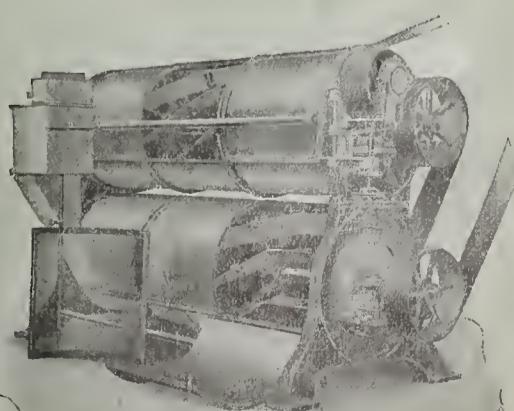
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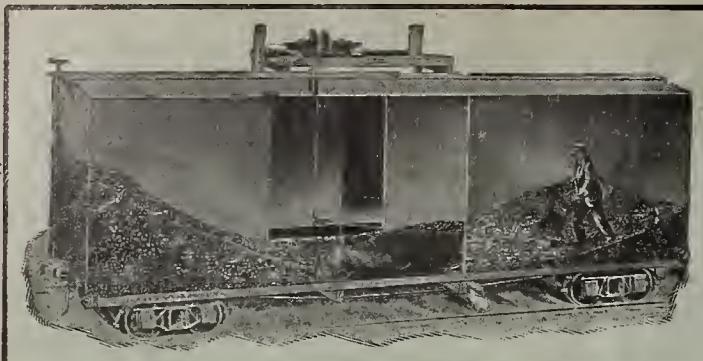
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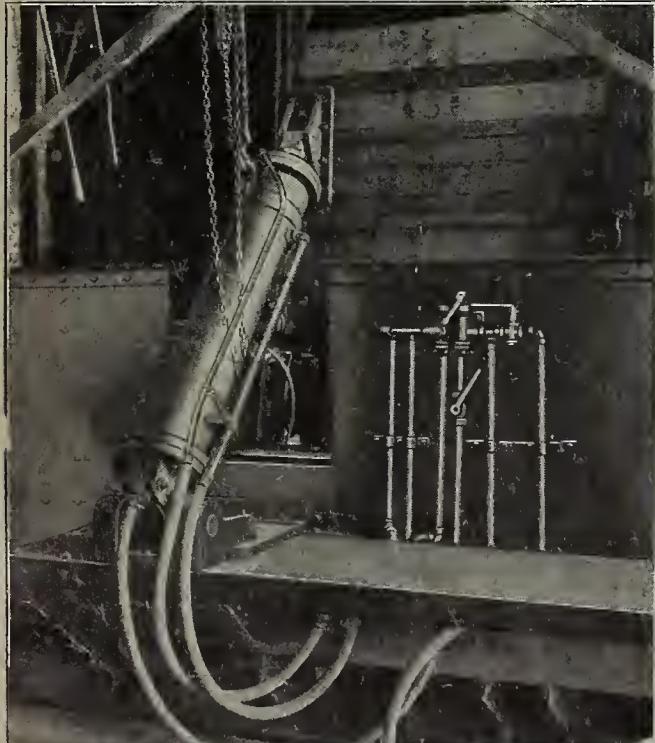
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